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ABSTRACT

A study examined issues of quality in corporate-sponsored child care centers for children up to the age of 6. The study used a combination of methods, including a literature review, telephone interviews with corporations sponsoring child care centers, and visits to 12 corporate-sponsored child care centers. The findings came under the four headings of issues related to quality, discussion with experts in the field, characteristics of corporate-sponsored programs, and case studies of six corporate-sponsored programs. The study determined that the quality of a center depends largely on the staff who provide the care. Specific indicators of quality include: (1) staffing patterns--the ratio of adults to children, group sizes, staff schedules, and staff turnover; (2) staff credentials--educational background, experience, ongoing training; (3) wages and benefits for staff, which influence recruitment and retention of highly qualified staff; and (4) existence of an educational plan or philosophy that provides a framework for the teachers. Additional criteria that reflect a center's commitment to these quality indicators include licensing and accreditation, auspice (financial and legal ownership), and the operating budget allocation for staff. Contains 26 references. (TJQ)

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Child Care in Corporate America: Quality Indicators and Model Programs

Catalyst: working with business

to effect change for women–through research,

advisory services and communication.

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Child Care in Corporate America: Quality Indicators and Model Programs

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Introduction

In March 1992, The Pew Charitable Trusts awarded Catalyst a grant to explore and examine the issue of quality in corporate-sponsored dependent care programs. The study, entitled *Child Care in Corporate America: Quality Indicators and Model Programs*, focused on center-based programs for children up to the age of six.

In the 1980's, corporate support for employees' dependent care needs experienced moderate growth. Some of this support, for a small group of companies, took the form of offering on- or near-site child care centers that expanded the availability and convenience of care. Catalyst was asked to assess the impact of corporate sponsorship on the quality of care at such centers and determine how this care compared with generally available child care.

About Catalyst

Catalyst is a national not-for-profit organization that works with business to effect change for women through research, advisory services and communication. For more than 30 years, Catalyst has been studying issues for women in the workplace and serving as a resource to business, women and the media.

About the Report

This report summarizes the results of the feasibility study, which explored and examined the issue of quality in corporate-sponsored child care centers for children up to the age of six. The study used a combination of methods: a review of the recent research, telephone interviews with experts in the field, telephone interviews with corporations sponsoring child care centers, and visits to 12 corporate-sponsored child care centers. Each visit included an interview with a senior company representative, an interview with the center director, and a focus group of parents with children at the center.

The research disclosed a great deal of qualitative and quantitative information. This information was analyzed in order to:

- identify key indicators of quality, center-based child care;
- examine the ways in which corporations are involved in child care centers and how they affect the quality of care;
- understand the problems organizations face in providing quality care;
- understand how to motivate a corporation to improve the quality of available care.

This report consists of a description of research methods used and the detailed findings grouped under four headings:

- Issues Related to Quality
- A Discussion with Experts in the Field
- Corporate-Sponsored Programs
- Case Studies

A summary of findings follows the case studies.

Research Methods

This study used a combination of research methods, including a literature review, interviews and visits to 12 child care centers.

Interviews with Experts

A group of experts was identified during the course of the project, either through the literature or from recommendations made by those working in the field. An effort was made to select experts with knowledge about child care centers, recent or ongoing research, caregiver training, administration and management of center-based care and implementation.

Seven of the interviews were conducted over the telephone and one was conducted in person. The interviews were tape-recorded, with the participant's permission, and the recordings were transcribed. The interviews, which followed a structured interview protocol but were conversational in nature, lasted a minimum of one hour.

Interviews with Corporations

Interviews also were conducted to acquire detailed, descriptive information about corporate-sponsored child care centers. One hundred thirty-seven companies supporting one or more centers each were identified through the literature and through discussions with those working in the field. Interviewers attempted to contact company representatives at each of these companies.

During this phase of the project, it was discovered that one company had gone out of business, six company programs were not pertinent to the research, four companies declined to be interviewed due to various problems, and 35 companies informally declined because it was not possible to contact or schedule an interview with an appropriate representative.

Representatives at the remaining 91 companies were contacted and telephone interviews were scheduled for all but two, who insisted on completing the survey in writing. The telephone interviews were recorded with the participants' permission. In many cases, the interview involved a conference call or individual calls to several people, such as the company representative and the center director. These interviews followed a structured protocol and were often over an hour in length.

All study participants were assured of anonymity. They agreed to answer the questions on the protocol with the understanding that the information would be reported in aggregate or anonymously.

Immediately following each interview, the interviewers listened to the tape recording and answered the questions on the protocol, including any important quotations and adding any information that might not have been specifically requested.

The completed protocols were reviewed carefully by the project team. A coding scheme was designed that categorized types of responses to each question. The coding scheme was field tested with several protocols and revised several times. The protocols were coded using the final coding scheme and the codes were entered into SPSS and analyzed in order to produce the data described in this report.

Twelve corporate-sponsored child care centers were identified from the list of 91 companies. The centers were selected to reflect a variety of industries, company sizes, locations, and management configurations. An effort was made to select centers of high quality, either because they were reviewed positively in the literature or recommended by the experts. Two sites were selected from each region in order to streamline the site visit process.

These 12 companies agreed to participate in the study and understood that their program would be described in detail. We have highlighted six of these programs in this report.

Site Visits

Two Catalyst staff members went to each site. The team leader was a senior staff member at Catalyst with experience conducting interviews and focus groups. Each team toured and photographed the center. The center director and the company liaison with the center were interviewed following a structured interview protocol. When possible, a focus group of parents using the center was also conducted using a structured protocol. Two companies would not convene a focus group of employees, and one was not able to do so because of the scheduling of the visit.

The site visits lasted for most of one day and included many informal discussions. The interviews and the focus group discussions were tape-recorded, with participants' permission. The tape recordings were transcribed and analyzed.

A Note on Qualitative Analysis

Qualitative studies are largely exploratory. They are used to identify issues, and the findings should be used for advice and guidance in developing strategies. The data collected provide information about the issues that are important to the participants. It can be used to focus further research and information-gathering activities.

Conclusions

The critical indicators of quality focus on center staff.

Based on a comprehensive literature review, as well as interviews with child care experts and center directors, Catalyst learned that the quality of a center largely depends upon the staff who provide the care. Specific indicators of quality include:

- **staffing pattern**, i.e., the ratio of adults to children, the group sizes, staff schedules and staff turnover;
- **staff credentials**, i.e., educational background, experience, ongoing training;
- **wages & benefits for staff**, which influence the recruitment and retention of highly qualified staff;
- **the existence of an educational plan or philosophy**, which provides a framework for the teachers.

Additional criteria that reflect a center's commitment to the above indicators include licensing and accreditation, auspice (financial and legal ownership) and the operating budget allocation for staff.

Corporate-sponsored centers, in general, are of high quality.

Child care experts emphasized that corporate-sponsored child care is significantly higher in quality than other types of available care. The case studies exemplify high-quality centers. Many of the centers included in this study compare favorably to the standards for the quality indicators described above. Eighteen of the 70 centers are currently accredited by the National Association for the Education of Young Children (NAEYC), and another 39 are working toward accreditation, indicating a commitment to quality. A good proportion of the centers, especially with two- and three-year-olds, not only meet, but exceed, the NAEYC standards for adult-child ratios and group sizes.

Thirty-eight centers offer salaries that are higher than the average hourly wage of $7.49. Sixty centers offer some type of health care benefits. The rate for centers sharing information on turnover is lower than the national average. A large proportion of the centers have teachers with experience in child care and with formal coursework in education.

Corporate sponsorship alone does not ensure high quality.

The experts interviewed noted that not all corporations are equally concerned with quality. Some corporations focus primarily on expanding the availability of care. Others are reluctant to pay for care of the highest quality.

Some of the 80 centers included in this study do not compare favorably to the standards for the quality indicators described above. The ratios found in many centers are at the maximum recommended by the NAEYC, and some have lower ratios: Two centers have more than four infants per adult; 18 centers have more than five toddlers per adult; three centers have more than 10 two-

and three-year-olds per adult; and nine have more than 10 four- and five-year-olds per adult. The group sizes found in some centers exceed the maximum recommended by the NAEYC: 17 have group sizes of more than eight infants; nine have group sizes of more than 12 toddlers; five have group sizes of more than 20 two- and three-year-olds; and eight have group sizes of more than 20 four- and five-year-olds. The ratios and group sizes are most often inappropriate for the youngest children. Infants and toddlers require care in small groups, with fewer children per adult and, therefore, their care is the most expensive.

Seven centers offer salaries that are lower than the average hourly wage of $7.49. Two centers have no degreed teachers. Although 20 centers shared positive information concerning staff turnover, most centers did not share this information.

Nine of the companies appearing to sponsor centers actually have little involvement with the center other than to negotiate a discount for employees and, perhaps, provide small donations.

Quality care requires an investment from the corporate sponsor.

High-quality centers are models of the type of investment required from a corporate sponsor. Companies that care about quality invest both money and time in the center, and this investment has a clear impact on quality.

Companies provide financial support in terms of starting the center (the average at 23 centers was $503,415), operating a center (the annual average at 20 centers is $282,210), providing subsidies and scholarships for parents, and supporting the center through the company resources in ways that may not be directly attributed to the center (real estate taxes, building and grounds maintenance, etc.).

Many companies create a task force or committee of employees to gather information about child care and about the quality of care before opening a center. Once the center opens, at companies concerned about quality, senior

staff (sometimes the CEO) take responsibility for working with the center, monitoring its quality and serving as advisors. Several of the case studies provide clear examples of this effort.

High-quality, corporate-sponsored care has many benefits.

Throughout the study, company representatives, center staff and parent groups emphasized the benefits of corporate-sponsored care. Although few companies have quantifiable data describing the benefit to the company, most of the representatives interviewed believe there is a benefit in terms of employee recruitment, retention, productivity and reduction in absenteeism. Participants repeatedly described how the center has affected the atmosphere at the company, making it more relaxed, more "human" and more friendly.

Center directors were relieved to focus on staff training and working with children, rather than focusing on how to raise money for basic necessities.

Parents in the focus groups talked repeatedly about the convenience provided by a center at their worksite. Access to such a center eased the tensions in their lives and provided opportunities to see their children during the workday.

The children at these centers receive high-quality care at a cost comparable to that in the community. They are close to their parents and may see their parents during the workday.

Corporations continue to need support for their child care ventures.

The research suggests that corporations considering sponsoring a child care center need education, guided information gathering, stability and motivation.

Education

Clearly, some companies need to be educated about the concept of quality as it relates to child care. Not all corporate-sponsored centers are of high quality. Companies need to understand what constitutes a high-quality center and how to assess center quality.

Guided Information Gathering

Companies concerned with quality tend to invest considerable time gathering information about child care centers. Catalyst researchers found that:

- **Companies are "reinventing the wheel," visiting the same set of centers, reviewing the same research materials and speaking with the same groups of experts.**

- **The child care centers visited are usually identified because they have been described in the media.** The descriptions do not necessarily focus on the quality indicators identified here. The visitors presume quality and may copy what they have seen. Companies considering a child care center need guidance in identifying models.

- **The visitors may not know what questions to ask.** Companies considering a child care center need help in understanding what kinds of questions to ask.

- **Companies often rely on consultants to identify issues, conduct needs assessments and establish programs.** The consultants often provide a specific type of service, making them interested parties rather than objective providers of information.

- **Programs change frequently.** For example, the participants were identified for this study because their programs were described in publications or referenced by people in the field. During a five-month period, several programs were discontinued, modified or radically changed. Companies trying to acquire information must expend a great deal of effort just identifying the appropriate place to start.

- **The information gathering process tends to focus on satisfying one specific need at one specific site.** Companies sometimes find it difficult to use this information to create other child care programs at different sites with different employee needs.

Stability

Child care programs are sometimes discontinued as the companies' work force and their children grow older. They may also be discontinued because companies are not able to maintain financial support, or because they go out of business. Corporate involvement does not ensure the ongoing stability of these programs.

Motivation

Unfortunately, most companies do not choose to sponsor child care centers. A 1990 Hewitt Associates survey, for example, found that only 48 of the 837 employers studied support an on-site, near-site, or consortium center. Companies must be motivated to respond more uniformly and effectively to the child care needs of their employees if the child care crisis is to be resolved.

Issues Related to Quality

Experts refer to the "trilemma" between the availability, affordability and quality of services in child care (Culkin, Helburn & Morris). The interrelated nature of these issues ultimately motivates a trade-off, based on costs between the quality of services and the quantity of services. The quality of a program affects its cost and affordability. The ability of parents to pay for child care affects the quality and supply of care. According to Culkin, Helburn, & Morris, "the fact is that high-quality care...is not available at the prices many potential customers can afford to pay."

What Are the Characteristics of Quality Child Care Centers?

- They tend to be operated on a non-profit basis;
- They are more likely to be accredited by the NAEYC;
- They tend to be located in states with higher quality standards;
- They are more likely to meet the 1980 federal requirements for adult-child ratios, group size and state training;
- The work environment for adults provides higher wages and lower staff turnover.

Source: Whitebook et al.

What is Quality Child Care?

The quality of a specific child care situation is determined by the physical, social and cognitive development of the children who use it. Licensing criteria, to date, only have provided a basic threshold for what should be done,

and not a description of what constitutes quality. Deborah Phillips describes the concept of quality as a "blend of ingredients." The outcome depends on the quality of each of the ingredients. There are several aspects of quality:

- *Structural* aspects refer to the adult-child ratio, the size of the group and the training, education and experience of the caregiver.

- *Dynamic* aspects refer to the caregiver's social, cognitive and linguistic interactions with the child.

- *Contextual* aspects refer to the setting and the stability of the staff.

The dynamic aspects of quality are of the utmost importance. However, research has shown that the dynamic aspects of a situation are greatly influenced by the structural aspects. For example, caregivers are able to have longer, more frequent interactions with an individual child in a situation with fewer children. Current research provides information about the structural characteristics of high-quality situations, and information about structural components can be easily acquired and verified.

There has been less research focusing on the contextual aspects of quality in child care. However, the stability of the staff involved in a child care situation can have a profound influence on the quality of care received, as will be discussed in the next section.

In addition, the quality of a child's experience in a child care situation is, of course, influenced by the family environment, as a child moves between the two situations. The daily stresses felt in the family environment are influenced by parents' concerns with the availability, accessibility, reliability and cost of child care. These issues, too, are worthy of further exploration within the framework of examining quality.

Recent studies suggest that the quality of care has **decreased**. *The National Child Care Staffing Study* found that "the quality of most centers was barely adequate." Moreover, the study found that "children in centers with lower quality and higher staff turnover were less competent in social and language development." The decrease in quality —indicated by larger group sizes and higher adult-child ratios (meaning fewer adults per child)— is due to the decline of direct program subsidies and the need to keep fees affordable to

The stability of the staff involved in a child care situation can have a profound influence on the quality of care received.

parents (The Urban Institute). The decrease is extremely troubling given the number of children in child care and the amount of time they spend there. The number of child care centers tripled over a 14-year period to 80,000 in 1990, and the number of children in them quadrupled to 3.8 million (Mathematica Policy Research Inc.). Over 75% of children three years old and younger in child care centers spend 35 or more hours there each week.

Recommendations for Improving the Quality of Care
(based on interviews with teachers in 227 centers)

- 89% recommended better salaries for child care workers;
- 80% recommended improved benefits for staff;
- 79% recommended increased social respect for child care workers;
- 70% recommended ongoing or continuing educations for staff;
- 65% recommended a career ladder in child care.

Source: National Child Care Staffing Study

Answers to the following questions can provide clues to the quality of care provided:

Is the program licensed? Does it comply with state regulations?

All states require licensing of child care centers, and some regulate family child care homes. The standards vary widely from state to state. The specific provisions focus on health precautions, building and fire safety, staff-child ratios, class size, teacher training, staff qualifications, discipline procedures and parents' roles. Although a child care center (such as a part-time center or a church-housed center) may be exempt from licensing, it may comply voluntarily.

In 1989, The Center for Policy Research of the National Governor's Association conducted a survey and review of state policies regarding child care. The survey compared the baseline licensing standards for staff-child ratios of all 50 states plus the District of Columbia with NAEYC accreditation standards:

- 30 states met NAEYC standards for children up to age one;
- 20 states met NAEYC standards for two-year-olds;
- 19 states met NAEYC standard for four-year-olds.

Thirty-nine states have training requirements for teachers working in centers. Twelve do not. Training requirements vary from pre-service orientations (two states) to pre-service training (10 states) to pre-service training and a specified amount of annual ongoing training (17 states) to ongoing training only (10 states). Thirty-seven states reported having out-reach programs that promote employer-assisted child care. Twenty-four of these states provide employers with assistance in setting up on- or near-site centers.

Is the program accredited or in the process of applying for accreditation?

The National Academy of Early Childhood Programs is the independent accrediting system sponsored by the NAEYC. An accredited program meets the Academy's criteria, which emphasize the quality of interactions between staff and children and appropriateness of the curriculum for the children involved. The accreditation process requires that a center voluntarily apply and complete an extensive self-study. The accuracy of the information is then verified by a team of trained validators. Accreditation is granted by a three-member national committee of experts.

The National Child Care Staffing Study found that accredited centers, as compared with non-accredited centers, paid higher wages to teachers (but not directors), provided better benefits (except for reduced-fee child care), had better working conditions, lower turnover rates and better child-staff ratios. In addition, the teachers were better educated and had more specialized training. Teachers at the accredited centers also were rated as more sensitive and demonstrated more appropriate caregiving. This study confirms the NAEYC judgement in regard to the criteria necessary for creating a quality environment.

What is the adult-child ratio?

The acceptable ratio will vary according to the ages of the children (NAEYC):

- three infants (under 12 months old) per adult
- three to five toddlers (12 to 24 months old) per adult
- four to seven two- and three-year-olds per adult
- eight to ten four- and five-year-olds per adult

These ratios are consistent with the Federal Interagency Day Care Requirements. In *The National Child Care Staffing Study*, the ratios typically observed were close to these guidelines. However, the average ratios hide the very wide range of ratios observed. For example, 36.2% of the infant rooms met the standard of three-to-one, but 16% had ratios exceeding five to one. Child-staff ratios rose 25% between 1976 and 1990, from 6.8 to 8.5 preschool children per staff person (Mathematica). Fewer than half of all centers meet the NAEYC recommendations for children between 18 and 36 months of age. Smaller centers with 30 or fewer slots offered lower child-staff ratios, on average, for all age groups.

What is the maximum group size?

The acceptable size will vary according to the ages of the children (NAEYC):

- six to eight for infants
- six to twelve for toddlers
- eight to fourteen for two- and three-year-olds
- sixteen to twenty for three- and four-year-olds

The average group size in child care centers increased about 16% between 1976 and 1990, from 13.5 to 15.7 children per preschool class (Mathematica).

What educational plan exists?

Willer describes the artificial separation between centers focusing on "care" and those, such as nursery schools, focusing on "education." This separation grew out of the motivation for developing different types of programs. "Day care" programs focused on providing full-day care for children of working parents. Nursery schools and other part-day programs were developed to enhance the social and educational experiences of young children. This separation continues because of differences in funding sources and delivery of the two types of programs. The knowledge built from recent educational research and practice, however, reinforces the concept that children learn continually at every age and that a rich learning environment provides them with the opportunity for optimal growth and development. An educational plan should fit the physical, emotional and social development needs of preschool children. The NAEYC provides guidelines for developmentally appropriate practices for children from birth through age eight.

Research finds that children in quality child care situations are not left in aimless play (Phillips). Whitebook et al. found that children in centers with higher turnover rates spent more time in aimless wandering. In addition, these children had lower scores on vocabulary tests and spent less time in social activities with other children.

What are the qualifications of the staff? What training opportunities are provided?

Research finds that caregivers with training in child development and some professional experience in child care greatly enhance the quality of child care. (Phillips). The qualifications of the staff become increasingly important as group sizes and staff-child ratios are stretched to their limits. The NAEYC notes that larger groups sizes and higher staff ratios are acceptable only in cases where the staff is highly qualified.

The National Child Care Staffing Study found that the teacher's amount of formal education was the strongest predictor of appropriate caregiving. Formal education was a stronger predictor than specialized training (although this was especially important in infant classrooms) or years of experience.

The NAEYC criteria described above are recommended by a number of groups such as The Child Care Action Campaign, The American Public Health Association and the American Academy of Pediatrics.

The teacher's amount of formal education was the strongest predictor of appropriate caregiving.

The Effect of the Adult Work Environment

Caregivers have been called "the soul of quality care" (Zigler & Lang). Willer writes that:

> *The aspects that most influence a program's ability to provide high-quality services revolve around characteristics of the staff — number, qualifications, ability, dispositions and stability — and characteristics of the environment. Each aspect is associated with costs, and the lack of resources that has characterized the early childhood field has led too often to compromising on these characteristics. As a result, we have compromised quality for children.*

Research has found a link between the quality of care received by children in child care centers and the education of the center's teaching staff. Whitebook et al. found that staff "provided more sensitive and appropriate caregiving if they completed more years of formal education, received early childhood training at the college level, earned higher wages and better benefits and worked in centers devoting a higher percentage of the operating budget to the teaching personnel." They also found that centers with lower turnover provided a better experience for children, who spent more time in social activities with other children, had higher scores on vocabulary tests, and spent less time aimlessly wandering. Their study (*The National Child Care Staffing Study*) of 227 child care centers in 1988 found the quality of services to be barely adequate.

The breakdown in child care, due to turnover, costs U.S. business $3 billion a year.

More alarming is the annual turnover rate among child care workers. At 42%, it is more than twice the national average (Child Care Employee Project). This information is of great concern to those who wish to enhance the quality of child care, since the dynamic interactions between a caregiver and a child are at the heart of a high-quality situation. The Child Care Action Campaign states that the breakdown in child care, due to this turnover rate, costs U.S. business $3 billion a year (*The Wall Street Journal*).

Clearly, child care workers have reason to leave the field. Their average pay ranks in the bottom 10% of all wage-earning categories, (below custodians), and many receive no health, unemployment or disability benefits (*The Wall Street Journal*). According to the Child Care Employee Project, 70% of all child care workers earn poverty-level wages, even though their average level of education is 14 years. In addition, *The National Child Care Staffing Study* found that teachers' wages were the most important predictor of the quality of care children will receive. This was true for two indicators of quality in the environment: developmentally appropriate activities and teacher-child ratios. And these two indicators predicted teacher-child interaction.

Despite this information, caregiving is projected to be one of the fastest growing occupations between the years 1990 and 2005, with an expected growth of 48.8% (*Monthly Labor Review*).

For the most part, staff members in child care centers are female. In a survey of 227 centers, 97% of the teachers were female, and 81% were under 41 years old (Child Care Employee Project).

Research focusing on quality in child care must also examine the adult work environment in terms of its ability to attract and retain highly qualified providers (Phillips). What do caregivers need to stay in the field? Whitebook et al. note that "good quality care requires an environment that values adults as well as children."

The above statistics describe the work environment for caregivers in general. A recent study, *Profile of Child Care Settings: Early Education and Care in 1990*, provides some descriptive information about caregivers who worked in child care centers in 1990 compared with those who worked between 1976-1977. This study also suggests that the quality of care has **decreased**, as wages have diminished and turnover has increased.

Turnover

Turnover for teachers in child care centers averaged 25% a year. National chains had the highest attrition (39%), followed by other for-profits (27%). Teachers in public school-based centers (where the pay is highest) had the lowest turnover at 14%.

Only half of the programs experienced any turnover. But that half averaged 50% turnover. This suggests that turnover is related to specific conditions at a center rather than to the general conditions of working with young children.

Whitebook et al. found that turnover was related to the salaries earned. The turnover rate for teaching staff earning the lowest wages (under $4 per hour) was 54%, as compared with 27% for those earning the highest wages (over $6 per hour). The study also found that turnover almost tripled in the decade between 1977 and 1988 (from 15% to 41%). Follow-up telephone interviews with those teachers who left their jobs found that 75% left for better-paying jobs.

In another example of the relationship between wages and turnover, the U.S. military has recently allocated a significant amount of money to increase the wages and training of child care providers. The military was motivated to improve the quality of child care centers in order to improve recruitment and retention of military personnel. In a period of a year and a half, the turnover rate for caregivers dropped from 58% to 16% (Barbara Reisman, Child Care Action Campaign).

Wages

In 1990, teachers earned an average of $11,500 annually (based on a 30-hour week, 50 weeks a year), with half earning less than $11,000. The average hourly wage was $7.49. This amount varied according to the sponsorship or setting of the center: $14.40 in public schools, $9.67 for Head Start, $8.46 in secular-sponsored not-for-profits, $8.10 for church/synagogue not-for-profits, $7.40 in independent not-for-profits, and $5.43 in for-profits. There was also a variation across regions: $9.63 in the Northeast, $7.89 in the West, $7.58 in the Midwest, and $6.58 in the South. There was also variation according to location: $8.42 for teachers in cities, $6.92 in suburbs, and $6.25 in rural areas. Those centers meeting Federal Interagency Day Care Requirements provisions paid better wages.

These figures, when adjusted for inflation, represent a decline of nearly one-quarter from 1976.

Willer notes that the median salary for teachers in accredited child care centers in 1990 was $14,100. She compares this with the median salaries of public school teachers ($28,900), social workers ($22,000), and registered nurses in nursing homes ($21,300).

Education

Teachers in centers tend to be well educated: 47% have B.A. degrees. Education, too, varies according to the sponsorship of the center: In public school-based centers, 88% finished college. About half in not-for-profits finished college; in for-profits, a third finished college. Teachers are more educated today than in 1976-1977.

Other studies and articles contribute to the understanding of a good adult work environment at high-quality child care centers, touching on isssues such as auspice, benifits, professional identification and hours.

Auspice

Auspice refers to the financial and legal ownership of the center. On the basis of the above information, there appear to be differences in the caregiving experience at for-profit and not-for-profit centers. Fewer teachers have college degrees. In 1989, Meisels and Sternberg described their concerns with for-profit day care businesses. They noted that reasonable benefits, good staff-child ratios and salaries consume at least 70% of the operating costs of a not-for-profit center concerned with high quality and require subsidization since

The turnover is higher in for-profits, and the pay is substantially lower.

the costs cannot be borne by the parents of children who use the center. In for-profit centers, profit absorbs funds that might be used to improve services. Indeed, parents may not know to ask about teacher salaries or the turnover rate for teachers, especially if they are impressed by the facilities and equipment. Minority children and middle-income children tend to be enrolled in for-profit chains (Whitebook et al.). The children in for-profit centers are less likely to be securely attached to their teachers, spend more time aimlessly wandering, and appear to be less socially competent.

Whitebook et al. also found that the better quality centers in their study were operated on a not-for-profit basis. These centers paid higher wages and provided better benefits, such as paid preparation and training time and overtime compensation. Teachers in these centers tended to view their work as a career. These teachers were better trained, more experienced and more likely to provide appropriate caregiving. In addition, these centers had more developmentally appropriate activity than for-profit centers. Low-income children tended to be enrolled in not-for-profit centers (Whitebook et al.). In fact, not-for-profit status, because it provides higher wages, was the strongest quality predictor.

Not-for-profit status, because it provides higher wages, was the strongest quality predictor.

Kagan and Newton found that in Connecticut there were similarities in quality between not-for-profit and for-profit centers in terms of group size, the training of caregivers and caregiver-child interactions. But there were significantly better ratios (fewer children per caregiver) in not-for-profit, government-subsidized centers.

Benefits

Child care teaching staff receive minimal benefits. Whitebook et al. found that out of the entire sample of teachers at 227 sites, only two out of five received health coverage and only one out of five had a retirement plan. The benefits most likely to be provided included holidays, sick leave and reduced fees for child care. The lowest paid teachers received the fewest benefits.

One interesting finding from *The National Child Care Staffing Study* is that the majority of the staff in centers they studied received only one benefit, reduced-fee child care at the center. This benefit was a predictor of whether infant and toddler teaching staff saw their work as a career. At the same time, however, it also was associated with staff dissatisfaction, perhaps because it is a benefit offered in the absence of others that might be more desirable.

Centers providing this benefit had teachers who were less sensitive and behaved less appropriately toward children. In addition, teachers who were mothers of young toddlers at the centers were less sensitive with other children.

Professional Identification

Whitebook et al. found that staff who belonged to a professional organization or union earned higher wages, had more specialized training and were less likely to leave their jobs. However, few center-based teachers belong to these organizations: 14% of the teaching staff of 227 centers belonged to a child-related professional group and only 4% were represented by a union (Child Care Employee Project).

Hours

Child care in centers is often available for as many as 11 to 12 hours per day with caregivers working in shifts. Critical issues for care providers, then, include work schedule, time for breaks, and paid time for preparation (The Child Care Action Campaign).

Cost and Utilization Issues

The U.S. Department of Education study, *A Profile of Child Care Settings: Early Education and Care in 1990* (Mathematica) found approximately 80,000 center-based programs in the United States. This represents a capacity to care for over five million children.

These centers are 88% filled, with vacancies in fewer than half of the programs. The supply of center-based care for infants and toddlers is especially limited. Two-thirds of these programs are headed by not-for-profit organizations, with about half sponsored by religious organizations, public schools or Head Start. Major chains manage 11%, and local chains manage 6% of the one-third that are for-profit centers. The majority (83%) of for-profit centers are independent.

The supply of center-based care for infants and toddlers is especially limited.

About half of the centers broke even in their last fiscal year. About a quarter reported losses and a quarter reported profits. The for-profit centers included 60% that made a profit, 19% that broke even, and 21% that reported losses. The for-profit chains fared better than the for-profit independents (Mathematica).

The cost of child care has a greater impact on low- and middle-income families. High-income families can afford the cost of quality care. The poor often have access, through programs such as Head Start, to high-quality programs that are free. Low (less than $15,000) and middle ($15,000-49,000) income families must choose a program that they can afford and may be forced to compromise on quality (*The National Child Care Staffing Study*). The cost of child care is the family's fourth largest expense after housing, food and taxes (Thomas & Thomas). Hofferth et al., using a survey of 27 million households, found that employed mothers spend an average of $1.67 an hour for center-based care, which amounts to $83.50 for 50 hours of care a week, or more than $4,000 per year.

The cost of child care is the family's fourth largest expense after housing, food and taxes.

The percentage of the operating budget devoted to teaching personnel also appears to be related to the quality of care provided (*The National Child Care Staffing Study*). The study recommends that a minimum of 60% of a center's budget be allocated to personnel expenditures. Willer (1990) describes the U.S. General Accounting Office study of the cost of 265 full-day accredited programs. Those centers allocated 65% of their budgets to personnel costs. The personnel budget was divided into salaries for education personnel (74%), employee benefits (13%), and other salaries (13%).

Types of Corporate Involvement

Corporate child care programs provide care for the children of employees during an eight to twelve hour workday. Some centers are open for parents with varied shifts (early mornings, evenings, weekends). Some are open whenever a business need arises. Corporations are involved in a variety of ways:

On- or near-site company centers

These centers are created and supported by the corporation as a service to employees. Usually, such centers are only available to the corporation's employees. The company may subsidize the cost in a variety of ways and in varying amounts. Sometimes all employees pay the same fixed fee. At other centers there is a sliding scale or scholarship system to reduce the cost for lower income families. In some cases, the company provides little subsidy to the center; in others, the company subsidizes 100% of the cost of care. The cost of the center to the company includes in-kind support or "hidden" costs, such as housekeeping and maintenance services, purchasing power, real estate and food services.

Companies open a center to improve employee retention and morale, decrease absenteeism, tardiness and stress, and provide tax deductions (Burud). A center, however, requires administrative involvement on the part of the company and is more costly than some other options. Companies have a number of choices as to the type of arrangement for managing the center.

Companies open a center to improve employee retention and morale, decrease absenteeism, tardiness and stress, and provide tax deductions.

- **The Center Can Be A Department Of The Company.**
  In this case, the center is part of the corporation, and the staff at the center are company employees, receiving the same benefits as other employees.

- **The Center Can Be A Separate Profit-Making Subsidiary.**
  In this situation, the center is a wholly-owned, for-profit subsidiary of the company. This arrangement allows the company to absorb the subsidy to the center as a tax loss.

- **The Center Can Be A Seperate Not-For-Profit Corporation.**
  Here the center is usually run by a board of directors made up of company representatives and parents. The center must qualify for not-for-profit status under the tax code.

- **The Center Can Be Managed By A Child Care Management Group.**
  The outside group provides expertise that the company may not have and is liable for the operation of the center. This group can be not-for-profit (the YWCA, Catholic Social Services, a community day care group, etc.) or for-profit (Bright Horizons, La Petite Academy, etc.).

There is also a wide range of ways in which the outside group acquires and uses its earnings. The corporation may pay a fee to a not-for-profit organization such as the local public school system. The not-for-profit then uses the income from the fee to support other activities, such as community-based child care. Or, the corporation may pay a management fee to a for-profit concern. The fee is the "profit" required by the outside group, but is separated from the money required to operate the center. The corporation might also turn over the management and operations of the center to a for-profit concern. The outside group then tries to earn a profit from the operation of the center.

Consortium centers

Corporations can join with others (corporations, hospitals) to create and support a consortium day care facility. Usually, the corporation assures the day care facility of a number of slots every year, thus assuring funding. Some corporations team up with a hospital in order to solve the problem of finding a facility that meets the health and safety code requirements and has some of the services that might be needed. These consortiums may be managed in many of the ways that on-site care is managed.

Financial assistance for community-based care

Some corporations support centers already available in the community. A range of methods is used. Some companies provide vouchers, paying part of the cost of hourly child care directly to the licensed provider chosen by a parent. Other companies negotiate discounts on the cost of care at local centers. Although the corporation does not provide funds, its involvement reduces the cost of care for the employee parents. This results in less income for the center, but it does help to fill open slots.

Corporate donations and funding

A number of corporations provide funds to improve the quality of day care facilities. Such funds can help to start or expand a center, enable the center to meet NAEYC accreditation, or support staff and parent training programs. Sometimes the center reserves slots or gives priority to parents who are employees of the funding company.

Few corporations, however, actually support preschool child care centers. Hewitt Associates surveyed 837 major employers nationwide with 1,000 or more workers and found that only 48 companies provided on- or near-site child care centers or were involved in consortium centers. Sixteen companies

provided financial support to outside child care facilities. The literature consistently notes that on- or near-site centers are appropriate when there is insufficient child care in the community and transporting children to the center is feasible (Thomas & Thomas).

Some important issues arise with regard to corporate sponsorship of a child care center:

Liability

The average cost of liability insurance is approximately 3% of a center's total operating budget.

Employer concerns about liability for corporate-sponsored child care services are somewhat justified. Employers have been held liable for a facility's unsafe premises, toys or equipment and for the actions of center employees or volunteers. However, a variety of liability insurance plans are now available and affordable. Employers without centers tend to see this as a greater problem than those operating centers. The national average cost of liability insurance is approximately 3% of a center's total operating budget (Harkins & Hercik).

Cost

Saving money by reducing costs decreases the quality of the program and increases the company's liability risk.

Marlynn Levin, director of program development at The Merrill-Palmer Institute at Wayne State University, estimates that corporations will have to subsidize 20% to 30% of a child care center. The only other option is to raise tuition, which bars participation from lower-level employees. For example, Willer found that the annual cost of care per child at an accredited center was $4,871 in 1990. She estimates that if salaries were improved to make them more comparable to teaching in other areas, the cost per child would increase to $8,425. A center for 100 children, then, would require an operating budget of $842,500. Using Levin's 30% estimate for corporate support described above, this budget would require a subsidy of $252,750.

Levin also notes that saving money by reducing costs decreases the quality of the program and increases the company's liability risk. She believes that making child care affordable is possible only through the collaboration of parents, business, labor and government. This joint effort is not happening at present — now the entire burden is assumed by caregivers (who accept low wages) and by parents. Companies can help to finance a center through investments and tax breaks (Levin).

John Fernandez, president of Advanced Research Management Consultants, believes that a corporation can support a center with 50 spaces if it has 1,000 or more employees and if its employee population is at least 40% female.

Parent fees continue to be the major source of revenue for child care centers.

The National Child Care Staffing Study found that parent fees continue to be the major source of revenue for child care centers. In 1989, parents provided for 77% of center revenues. Government funding dropped from 29% in 1977 to 18% in 1989. Corporate and charitable contributions amounted to 5% in 1989. Parent fees alone cannot be relied upon to provide high-quality care.

A Discussion with Experts

An important component of the research involved interviews with experts in the field. These experts offered a wide range of knowledge about child care centers, recent research, caregiver training, administration and management of center-based care. The interviews were conducted over the telephone or in person and followed a structured interview protocol.

The experts interviewed were:

- **Dr. Sandy Burud**, President of Burud & Associates (Pasadena, CA). She is the author of *Employer Supported Child Care: Investing in Human Resources* and many articles. Burud & Associates manages child care centers for clients such as Apple Computer, Inc. and Pacific Gas & Electric Co.

- **Tara Greaney**, Director of the Children's Center at Cravath, Swaine & Moore (New York, NY). She has served as a consultant to a number of corporations.

- **Dr. Meryle Kaplan**, Director of Corporate Consultations for Resources for Child Care Management, Inc. (Morristown, NJ). RCCM manages child care centers for corporations such as Johnson & Johnson, S.C. Johnson & Son, Inc. and Campbell Soup Company.

- **Gwen Morgan**, Director of the Center for Career Development in Early Care and Education at Wheelock College (Boston, MA). She also is a senior staff member, with expertise in quality child care, at Work/Family Directions.

- **Dr. Deborah Phillips**, Assistant Professor at the University of Virginia (Charlottesville, VA). She is the author of *Quality Child Care* and is a principal investigator for *The National Child Care Staffing Study.*

- **Marguerite Sallee**, President of Corporate Child Care Management Services (Nashville, TN). She was formerly the Commissioner of Human Services in Tennessee under Governor Lamar Alexander. CCCMS manages child care centers for such companies as Saturn, Dominion Bank, Northern Trust Company and Marriott Corporation.

- **Myrna Walton**, Manager of Personnel, Planning and Operations at the University of California (Oakland, CA). She administers, from the Office of the President, the child care centers offered near- and on-site at University of California campuses.

- **Marilyn Williams**, President of Americare Systems (Sylvan Lake, MI), a management and consulting service for employers with expertise in designing child care and elder care programs. She is a member of the Board of Directors of the Association of Child Care Consultants International.

Although these experts offered varying perspectives on center-based care, there were many commonalities among their comments.

Center-based Care is Generally Poor

The experts unanimously agreed that, in general, the quality of care provided in child care centers is poor. They used terms such as "really bad," "outrageous," and "horrible," and accordingly, expressed a variety of concerns. Levels of quality in centers vary widely due to an inconsistency of standards across states and communities. Ms. Sallee described the minimal quality of state licensing requirements that may imply safety, but do not imply quality. Several experts expressed serious concerns with the long-term effect of this poor care on future generations. Dr. Burud's comments are representative:

> *I think it's really bad. I think it is harmful to children. I think it is harmful to adults. I think it is worse than marginal; I think that it's bad. I think that we have such a low standard that things that are*

less bad look good to us. I think there are so few programs that are really great for children.

Ms. Sallee described the consequences of substandard care:

I think we are going to pay the price. We already are seeing some of that now, for the neglect of children during those incredibly important preschool years. There are not enough resources to enable quality.

Ms. Greaney added: "They're going to be voting in 20 years and going to war in 20 years. This is the next generation."

Quality is Significantly Better in Corporate-Sponsored Centers

The experts unanimously agreed that, in general, the quality of care in corporate-sponsored child care centers is significantly better than the care described previously. There are several aspects of corporate-sponsored care that lead to this higher level of quality.

Qualified Staff

According to Ms. Walton, corporations tend to hire a qualified director or administrator who then hires competent staff.

Additional Funds

The infusion of third-party dollars helps pay for quality. Ms. Sallee noted that "parents simply cannot afford to pay the true cost of quality child care" and emphasized that third-party dollars are needed. Dr. Burud reiterated this view, noting that higher quality of corporate-sponsored centers is "...partly, strictly a matter of money. When they're subsidized, they can pay teachers better, offer better benefits and compensation packages, so they can attract more qualified people."

Visibility

Corporations do not want to be involved with a child care center that may endanger their public image or increase liability. Therefore, corporations are more invested in achieving a certain level of quality.

Because corporate-sponsored centers are located near the workplace, their activities are more visible. Parents walk in and out of the center throughout the day. Other employees pass by. Ms. Sallee notes that in this situation, there is less risk of children suffering physical danger, neglect or abuse.

Dr. Phillips summarizes this perspective:

> *I hear anecdotally that when employers provide on-site programs, they do a good job. It becomes part of their corporate image, becomes kind of a flagship. It also is scrutinized daily by the parents who have their children in there. I think corporations are very sensitive to issues of liability and so they want to make sure that they're not going to have child abuse at their programs, or terrible incidents, which are rare anyway. So, if that motivates them to do a good job, well, then fine.*

Parental Involvement

Ms. Sallee also believes that the quality of care in a corporate-sponsored center is improved because parents are more involved than they are with other forms of care. She says:

> *The second reason I think corporate-sponsored centers are better is because there is far more opportunity for parent involvement... The center becomes an extension of the workplace. Our personal lives are oriented more and more around the workplace instead of the neighborhood. If both parents are working, they spend most of their time at work. So if there are opportunities for bonding with teachers and fellow parents, the whole process is changing. When you take your child to a neighborhood child care center, you may or may not even know your fellow parents and families within the same center. Even if you know them to say hello, you're off in a thousand different directions.*

Dr. Kaplan also discussed the way parental involvement in a corporate-sponsored center can influence their children's care.

> *They [the parents] are barely able to get to where their child care provider is. They barely have time to talk with those people. They don't necessarily have a sense that they have an impact on what's going on with their kids, and if they have concerns, the way to deal with it most often is to find somewhere else to send their child...[At a corporate-sponsored center] I think there is the opportunity, ongoing, for parents to raise concerns and have their needs and their child's needs responded to.*

Not All Corporate-Sponsored Centers Are of High Quality

Even though the experts noted that corporate-sponsored care is generally of higher quality, several noted that some are of poor quality and that very few are of the best quality.

Some corporations still focus primarily on the issue of expanding the care available, rather than improving quality. According to Dr. Kaplan:

> *...there are many workplaces where they've decided that just providing care is good enough and the quality of it is not the issue. As long as it's safe and relatively clean and open the right number of hours, that's all that matters. They probably don't get as bad as some of the worst.*

Dr. Burud also raised this concern:

> *They all want to have a model program, but when it comes down to looking at the budget, a half a million dollars a year spent on 60 children is very hard to justify. And so your definition of a Cadillac changes. What you do is you set up a Chevy that's 10 years old and you say this is a great car. So, in my view, I've seen less than five programs nationally that I would consider a brand new Toyota. I don't think I've ever seen a Cadillac. And what mostly I see is programs that are mid-range, these are corporate programs, mid-range good programs. They are good, but they're not great.*

Staff is Critical to Quality

When describing the critical factors that help determine quality care, the experts were in agreement with the indicators of quality identified and described earlier in this report. The factors they described focus on the staff employed by the center: the staffing pattern, including the ratio of adults to children and group sizes, the compensation provided to staff, the training activities and professional support offered to staff, work hours, and the necessity of a curriculum for staff to use for planning activities. These critical factors help to develop a sense of professionalism among the staff that is communicated to the children. As Ms. Sallee noted, "Staff drives quality."

Dr. Phillips described new data she is gathering, which leads her to believe that:

> *Salaries of child care providers are coming out as the single most consistent predictor of quality, measured by global measures of quality from a child development perspective...If you look at quality as defined by early childhood development people, the best predictor of what the child is receiving is the salaries of the caretakers. And we know that salaries are directly related to child outcome data as well.*

Salary is such an important predictor of quality because higher salaries reduce turnover, creating a more stable work force while attracting and retaining more qualified people.

In addition to the indicators of quality described in the literature, other critical factors were noted.

Qualifications of Teachers

The experts emphasized the importance of teacher's educational background and agreed that teachers should have strong educational qualifications in early childhood education or child development. Several felt that teachers should have practical experience with children, such as those trained in a college with a lab school. Ms. Sallee particularly noted the need for specialized training for those caring for infants and toddlers. Ms. Greaney described the need for "universities to start programs in child development and recruiting and graduating people who know what they are doing."

Center Environment

Dr. Burud believes strongly that the center environment has a major influence on employees. A poorly designed, unsafe environment can increase the need for teachers' supervision. If not filled with interesting materials to work with, the environment can lead to boredom for teachers and children and, therefore, to more disciplinary problems. The physical environment of the center was also identified by Ms. Sallee as critical to providing rich learning experiences for children.

Personality of a Key Individual

Several experts noted that centers of very high quality tend to have been started by key people with a commitment to and passion about child care, which helps to create a strong sense of professionalism at the center. Dr. Burud talked about the "snowball effect" this can have on everyone associated with the center.

Focus on the Family

Ms. Morgan believes that the center must shift its focus to the family. She stated that "you don't achieve quality unless the program is family-centered rather than child-centered" and described the concept as:

> *...understanding that the center is there to make the quality of life better for the whole family, not just the child in the center. Understanding that the center's tasks include improving the quality of time when the child is not in the center, but is with the family.*

A Goal of Quality Care

An important factor determining the quality of care is whether the center and its corporate sponsor are concerned with achieving quality. As noted earlier, several of the experts know of corporate-sponsored centers that are of minimal quality. Ms. Morgan considered the concern for quality to be a primary factor:

> *The first one [critical question] is: Is this center trying to achieve quality? There are a whole bunch of centers and a whole bunch of employers for whom quality is not a goal. They think their purpose is to increase the supply. So quality does have to be a goal. You don't achieve it if you're not pursuing it.*

In other words, increasing the availability and accessibility of child care solves one set of problems for parents. It does not, however, ensure quality.

There are disadvantages to corporate-sponsored care

Although the experts strongly believed that corporate sponsorship generally improves the quality of care, they also noted several disadvantages of corporate involvement.

A Compromise on Quality

Because quality is costly, the standard is redefined and compromises are made in order to reduce costs. Dr. Burud said one aspect of this compromise is a willingness on the part of corporations to turn over management of the center to a large national chain provider.

"Ghetto-ized" Child Care

Corporate-sponsored care is usually provided to employee-parents for a fee that reflects the cost of child care in the community. The subsidy provided to the center by the corporate sponsor pays for any additional level of quality at the center. Employees may have access to care of higher quality, but not necessarily low cost. Center-based child care, on the whole, is an expensive alternative when compared with family day care or care by relatives and neighbors. Therefore, it is not always an option for low income families.

Dr. Phillips noted that "in corporate-sponsored care the people who use the center are more the professional-level employees as opposed to the lower waged employees that the corporation hires." She feels strongly that quality care should also be available to families who cannot afford it.

Lack of Alternatives

The experts believe that an optimal child care system would provide parents with a wide range of options, which currently is not the case. Dr. Kaplan noted that one drawback of corporate-sponsored care is that "if it is not good enough, parents feel sort of like a captive audience because they don't have another alternative."

In addition, Ms. Walton noted that parents may "get trapped into jobs they don't necessarily want because they don't want to change child care, or they do change jobs and the child has to move."

Reluctance to be Involved

One major problem with corporate-sponsored care is the reluctance of corporations to become involved. Ms. Walton noted that corporations may "feel it's not their responsibility." Ms. Sallee described the reluctance of companies to commit the resources required. Ms. Williams explained, "They all have a large interest in trying to provide it, but when it actually comes up to putting up the funding, finding the space and going through all the legwork, very few have done that."

Once companies become involved, they may not stay involved. Ms. Morgan raised the issue of stability of care and the lack of stability that results when a corporation alone must create and sustain the quality of child care in a center. She noted that many companies are not able to maintain quality through the "ups and downs of the economy."

Once companies become involved, they may not stay involved.

There are advantages for corporations

Several experts talked about the benefits that a child care center can bring to the corporation that supports it, such as reduced turnover and absenteeism, increased recruitment and retention of employees and increased productivity. They tended to describe these benefits in general ways, such as parent's relief and the changed environment of the workplace.

Peace of Mind

Ms. Sallee believes that an added benefit is the peace of mind that the child care center brings to parents. Their work environment is improved and productivity is increased.

The Workplace Environment

Ms. Sallee shared a story that described how the addition of a child care center can positively influence the work environment:

> *I had one old curmudgeon tell me that he could be having a bad day or be tense or mad at somebody and he'd stand up and look out the window, and see the little kids out there playing in the playground. And he said: "More than once I have found myself standing there and smiling. And it changes my whole mood. Suddenly life is in the right perspective again."*

An investment in staff is necessary

The experts agreed that the most important way to improve the quality of child care is to invest in staff: by increasing salaries, offering benefits to reduce turnover, providing improved training activities, and increasing the number of staff to improve the adult/child ratio at the center. Ms. Williams explained:

Corporate involvement in starting a center is not sufficient. There needs to be an ongoing subsidy of the center's operation *and* the staff.

> *I would say that probably it has to be in the people delivering the program. Invest a lot in them and they'll give it back to the program in spades. And that means hiring well-qualified people and paying them so that you don't have a big turnover rate.*

Ms. Walton suggested focusing on NAEYC accreditation because that requires the center to meet standardized criteria concerning the maximum number of children per adult and per group. In fact, Ms. Sallee stated: "I think accreditation is our only indication of consistent quality."

Most of the experts agreed that corporate involvement in starting a center is not sufficient, and that there needs to be an ongoing subsidy of the center's operation *and* the staff salaries. This subsidy can be provided by operating a corporate center, giving grants to local programs, or reimbursing employees who use quality programs.

Model programs also need to focus on staff

When asked to recommend model corporate-sponsored programs, several experts emphasized that they cannot recommend one program: Ms. Greaney noted that "There is no one right formula for everybody." Corporations need to examine a range of options.

For a model child care center, these experts again emphasized the need for a heavy subsidy that allows for high salaries for highly qualified teachers, small group sizes, high adult-child ratios, teacher planning time, and resource people to provide support. They also recommended the following:

Concern for Children and Families

Ms. Williams described the need for corporations to develop a new attitude that "kids count," which pervades the workplace and allows parents time to be involved in their children's lives.

Accreditation

The experts believe that accreditation reflects quality. Corporations should help centers become accredited and support those that are.

More On-Site Centers

Ms. Sallee recommended that companies provide worksite child care centers:

> *What this country needs is more and better child care. This nation has a child care supply crisis and not enough people are willing to say that out loud. And a lot of people are just saying, okay, we can do the referral service, we can do a little voucher program, we can do this, we can do that, but those are Band-aids. What we have is a supply problem and a quality problem. The quickest, most efficient and most exciting, most successful solution to this problem is worksite child care.*

Greater Role of On-Site Centers

Many experts noted that high-quality on-site centers can have a greater impact on larger numbers of children and families if their role is expanded. Centers can serve parents by providing up-to-date information, dealing with back-up care and sick care, and providing a base from which children travel to and from school. In fact, Ms. Morgan also recommended that centers expand to provide access to family caregivers and other types of satellite services.

She went on to explain that centers should shift their orientation from children to families. Families have adults with different time commitments, children, work requirements, values and goals. An expanded role can help families in the wider community by including community children who are subsidized in the center. The impact can be on the quality of care in other centers by using the on-site center as a training ground for others or as the base for a network of providers. Corporations appear to do a good job of offering quality care in-house, but they need to be advocates for quality in the community.

Parents' Education

Corporations can educate parents about the indicators of quality care and encourage them to use quality care by paying a percentage of the cost of a program that meets certain quality standards.

Support and Upgrade of Existing Centers

Corporations can support community centers and programs of high quality by "adopting" a center—paying a percentage of parents' fees if the center meets certain standards and supporting quality family day care programs.

Equity for Parents

Several experts recommended that corporations consider how the subsidy they provide is used in order to assure that employees of all levels can afford the care, either by subsidizing all fees or providing a program with sliding fees or scholarships.

Characteristics of Corporate-sponsored Programs

Another component of this study involved a series of telephone interviews with companies that sponsor some sort of child care initiative, either an on- or near-site corporate center, a consortium center involving other employers, or a funding program that supports community-based centers. These telephone interviews were often more than an hour in length. In many cases, interviews were conducted with several individuals, one or more company representatives and the director of the center. In some cases, the participants in the study were not able to or did not wish to answer specific questions. The interviewers used a structured interview protocol.

These interviews yielded a wealth of information. The facts that follow have been summarized and organized in a way that allows for a comparison of these programs to the indicators of quality identified earlier in this report.

The Companies

The companies included in this study were identified through published descriptions of their programs. Interviews were conducted with 91 companies, which represent of a wide range industry types, including manufacturing, insurance, banking services and media production. They represent a range of size: from 14 employees at the smallest to 387,100 employees at the largest. The companies are located throughout the United States, although they are predominantly in the Northeast.

Many of these companies offer more than one type of program. Some national companies, for example, may have an on-site center at one location, a near-site center at another, and provide funding for community-based programs. Fifteen of the 91 companies formally fund child care programs. Seventy-six companies have an ongoing relationship with a child care initiative. Detailed information was acquired about 80 centers supported by 68 companies (See Table 1).

TABLE 1: TYPES OF PROGRAMS

	Programs Sponsored	Number of Companies
On-Site Center	53	48
Near-Site Center	18	15
Consortium Center	10	11
Funding Program	22	22

Center Programs

Following are details about the centers sponsored by the corporations that participated in the study.

Location

Information about specific location is available for the 80 centers: 14 are located on-site in the same building as the parents' workplace; 39 are located on-site but in a building that is part of a larger complex; 27 are located off-site, but nearby. The care provided at these centers, therefore, is easily accessible to company employees.

Schedule

Most of the centers (77) are open Monday through Friday for extended hours, which means that care is available for children of employees who work full time. Two centers are open for extended hours during the week and are also open on weekends. Thirty of these centers have regular schedules that accommodate the operating schedule of the supporting company. Six of these centers can be opened on demand to accommodate a specific business need.

Most of the centers (66) close only for holidays that are observed by the supporting company. Seven are closed for those holidays and for additional periods, such as a one-week planning session for teachers.
All of the centers provide the accessibility to child care required by full-time employees during daytime working hours.

The majority of children cared for at these centers are ages one to five; however, many of the centers care for children as young as six weeks.

Capacity and Enrollment

Seventy-two centers provided information regarding enrollment: The average enrollment at these centers is 111 children; the smallest center provides care for nine children; the largest enrollment is 400 children.

Fewer centers (52) provided information about maximum capacity: The average capacity is 114 children; the smallest center has a capacity of nine children; the largest has a capacity of 328.

TABLE 2: RANGE OF AGES

	Number of Centers Providing Care	Percentage of Centers
Infants	67	83.8
Toddlers	73	91.3
Preschoolers	78	97.5
Formal Kindergarten	30	38

The majority of these centers (47) have waiting lists of applicants for all age groups. Thirteen centers have a waiting list for infants. Twelve centers have space available.

Employee Access and Use

Only employees have access to 36 of the centers. Ten centers also accept children of families from other specified groups, such as a local employer. At 18 centers, enrollment is open to the community as well as to employees of the sponsoring company. At 15 centers, families in the community may apply.

but employees are given preference. In some cases, care is not available for community families because of the large number of employees applying to the center.

Forty-six of the centers provided information about the gender of the employees using the center: At 27 centers an equal number of male and female employees use the center; at two centers more male employees use the center; at 17 centers more female employees use the center.

Fifty-five of the centers provided information about the level of the employees using the center: At 29 centers an equal number of exempt and non-exempt employees use the center; at seven centers more nonexempt employees use the center; at 19 centers more exempt employees use the center.

Twenty-five centers stated that the profile of the employees using the center reflected the profile of the employees at the work site.

Size of Staff

Fifty-eight of the centers provided specific information about the size of their staff: The average size of staff at these centers is 29; the smallest center has 2 staff people; the largest has 75.

Four centers noted that the staff size fluctuates during the year.

Seventy-two centers have a center director and 52 have a director and an assistant director. Thirteen centers have a staffing plan that includes program coordinators for the different age groups. Twenty-four centers have an administrative staff.

Educational Plan

This information is available for 73 of the centers: 47 have an educational plan that was described in detail; 24 have an educational plan of some kind; two do not have an educational plan. This means that more than half (64.3%) were able to provide detailed information about the educational plan for the center. Another third (32.8%) noted that the center does have a plan, although the participant did not provide detailed information. Most (97.4%) of the company representatives interviewed confirmed that there was some sort of educational plan in effect at the center.

Licensing and Accreditation

All 79 of the centers providing this information are licensed by the state.

Seventy of the 80 centers provided information about NAEYC accreditation. Eleven centers (15.7%) are not accredited. Eighteen (25.7%) are currently accredited. Another 39 (55.7%) centers are not yet accredited, but stated that they were in the accreditation process. Two centers noted that although they do not plan to apply for accreditation, they are following NAEYC guidelines.

Staffing Pattern

Adult-child Ratios

Sixty of the 80 centers provided information about the adult-infant ratio: The average ratio at these centers is one adult to three infants; the highest ratio is one adult for each infant; the lowest ratio is one adult to six infants. The NAEYC recommends a ratio of one adult to three or four infants, depending on the group size. The average ratio at these centers meets this standard. Thirty-four centers (57%) have a ratio of one adult to four infants, the maximum allowed by the NAEYC standard. Twenty-four centers (40%) have ratios that are higher (meaning fewer infants per adult) than the NAEYC standard and only two centers (3%) have ratios that are lower (meaning more infants per adult).

Sixty-two centers provided information about the adult-toddler ratio: The average ratio at these centers is one adult to five toddlers; the highest ratio is one adult to three toddlers; the lowest ratio is one adult to nine toddlers. The NAEYC recommends a ratio of one adult to three to five toddlers, depending upon their ages and the group sizes. The average ratio at these centers is at the maximum limit of these standards. Eighteen centers (29%) have a ratio of one adult to five toddlers, the maximum allowed by the NAEYC standard. Twenty-six centers (42%) have ratios that are higher than the NAEYC standard, and 18 (29%) have ratios that are lower.

Sixty-two centers provided information about the ratio of adults to two- and three-year olds: The average ratio is one adult to six children; the highest ratio is one adult to four children; the lowest is one adult to 20 children. The NAEYC recommends a ratio of one adult to four to 10 children in this age range, depending upon their ages and the group sizes. The average ratio at these centers meets this standard, but would not be considered acceptable for the youngest children in this age range. Eleven centers (18%)

have a ratio of one adult to ten children, the maximum allowed by the NAEYC standard. Forty-eight centers (77%) have higher ratios and only three (5%) have lower ratios than the NAEYC standard.

Sixty-five centers provided information about the ratio of adults to four- and five-year-olds: The average ratio is one adult to seven children; the highest ratio is one adult to four children; the lowest ratio is one adult to 20 children. The NAEYC recommends a ratio of one adult to eight to 10 children in this age range, depending upon the group sizes. The average ratio at these centers exceeds this standard. Twenty-three centers (35%) meet the ratio of one adult to ten children, the maximum allowed by the NAEYC standard. Thirty-three centers (51%) have higher ratios, and nine (14%) have lower ratios than the NAEYC standard.

Twenty-five centers did not provide specific ratios in response this question, but information was provided relative to the state and NAEYC guidelines: 12 follow the state guidelines (which may or may not compare favorably to NAEYC guidelines); 10 follow the NAEYC guidelines; three exceed the NAEYC requirements.

Group Sizes

Seventeen centers have group sizes that are larger than the NAEYC standard.

Forty-two centers provided information about the maximum group size for infants: The average group size is nine infants; the smallest group has one infant; the largest has 18. The NAEYC recommends that there be no more than eight infants in a group. The average group size at these centers does not meet this standard. Fifteen centers (36%) have a group size of eight infants, the maximum allowed by the NAEYC. Ten centers (24%) have smaller group sizes, and 17 (40%) have groups sizes that are larger than the NAEYC standard.

Forty-four centers provided information about the maximum group size for toddlers: The average group size is 11 toddlers; the smallest is five; the largest is 18. The NAEYC recommends a maximum group size of 12 for toddlers. The average group size at these centers exceeds this standard. Twelve centers (27%) meet the group size of 12 toddlers recommended by the NAEYC. Twenty-three centers (52%) have smaller group sizes, and nine (21%) have larger group sizes than the NAEYC standard.

Forty-six centers described the maximum group sizes for two- and three-year-olds: The average group size is 15; the smallest is six; the largest is 40. The NAEYC recommends a maximum group size of 14 to 20 for children in this age range, depending upon their ages. The average group size at these centers falls within this range, but would be considered too large for the youngest children in this age range. Six centers (13%) have a group size of 20, the maximum recommended by the NAEYC. Thirty-five centers (76%) have group sizes that are smaller than 20 children, and five (11%) have group sizes larger than 20.

Forty-eight centers described the maximum group sizes for four- and five-year-olds: The average group size is 17; the smallest is eight; the largest is 32. The NAEYC recommends a maximum group size of 20 for children in this age range. The average group size at these centers falls within the NAEYC guidelines. Nine centers (19%) have a group size of 20, matching the NAEYC standard. Thirty-one centers (65%) have group sizes that are smaller than 20, and eight (17%) have group sizes that are larger than 20.

Twenty-six centers did not provide specific numbers in response to this question, but information was provided relative to the state and NAEYC guidelines: 12 of these follow the state guidelines (which may or may not compare favorably to NAEYC guidelines); 13 follow NAEYC guidelines; and one center exceeds the NAEYC guidelines.

Staff Work Schedule

The workweek at these centers ranges from 35 to 42.5 hours per week. Thirty-four of the centers offer a part-time work option to staff.

Staff Turnover

Twenty of the 80 centers provided a percentage rate of turnover for their staff: 15.8% is the average rate of turnover; 4% is the lowest rate; 28% is the highest rate. The average of 15.8% at these 21 corporate-sponsored centers is much lower than the average of 25% found by the 1990 *Profile of Child Care Settings*. It should be noted, however, that the majority of centers did not provide turnover information.

Fifty-four centers responded to this question by providing a general answer: 46 stated that their turnover rate was low; 7 stated that it was average; and 1 stated that it was high.

Employer

This information is available for 76 of the 80 centers: The teachers at 18 centers (23.6%) are employees of the corporation; the teachers at 32 centers (42%) are employed by the local center management; the teachers at 26 centers (34.2%) are employees of the national organization that manages the center.

Wages

The centers shared wage information in a variety of forms (hourly, monthly, annually). For purposes of comparison, the information was calculated as an hourly wage. Information on teacher salaries was provided by 45 of the centers: $10 per hour is the average wage for teachers; $4.25 per hour is the lowest; $21 per hour is the highest. The average wage of $10 per hour is higher than the average wage of $7.49 found by the 1990 *Profile of Child Care Settings*. Thirty-eight centers (84%) offer salaries that are higher than this average wage of $7.49, while seven (16%) offer lower salaries.

Forty centers provided information about the wages for assistants: $7.15 per hour was the average; $4.50 per hour was the lowest; $15.38 per hour was the highest.

Benefits

Many centers described the range of benefits offered to staff. Nineteen centers explained that center staff benefits were the same as those for other employees of the supporting company. Thirteen centers described the benefits package as "extensive." Eight centers offer cafeteria plans to staff.

TABLE 3: STAFF BENEFITS

Type of Benefit	Number of Centers Offering It
Health	60
Vacation	60
Sick Days	57
Dental	33
Retirement	33
Tuition Reimbursement	20
Life Insurance	19
Free or Discounted Child Care	12
Profit-sharing	11

Staff Credentials

Sixty-three of the 80 centers responded to the question of whether the teachers have four-year college degrees: at 17 centers all the teachers have college degrees; at 15 centers most do; at 29 centers some do; at two centers none have college degrees. At 19 centers, a college degree is a requirement for employment.

At 19 centers, a college degree is a requirement for employment.

Sixty centers responded to the question of whether the teachers had associate or two-year degrees: at 31 centers all the teachers have associate degrees; at 12 centers most do; at 11 centers some do; at six centers none have associate degrees. At 34 centers, an associate degree is a minimum requirement for employment.

Thirty-five centers responded to the question of whether the teachers have completed any graduate education: At one center most of the teachers have completed some graduate education; at 17 centers some have; at 17 centers none have graguate degrees.

Sixty centers responded to the question of whether the teachers had completed some coursework in education: At 51 centers all the teachers had taken courses in education; at four centers most had; at five centers some had. At 48 centers, coursework in education is a requirement for employment.

Fifty-nine centers responded to the question of whether the teachers had experience in child care at a center: At 42 centers all the teachers had experience; at 13 centers most had experience; at four centers some teachers had experience. At 48 centers, experience in child care is a requirement for employment.

Professional Involvement of Staff

Training

A number of centers described the training activities available for staff. Thirty-five centers use outside help for providing this training.

TABLE 4: STAFF TRAINING

Type of Training	Number of Centers
Educational Issues	62
Center-based Courses	43
CPR and First Aid	20
Courses Outside the Center	6

Career Path

Fifty-five centers responded to the question of whether or not there is a career path for center staff. At 29 centers, there is a career path for staff at the center. At 16 centers, there is a career path beyond the center, which could entail moving to a higher position at another center within the same management group, for example. At 10 centers, there is no career path for staff.

Professional Identification

Twenty-six centers described the teachers as belonging to a professional organization of some kind: At seven centers all the teachers do; at 15 centers most of the teachers do; at four centers some of the teachers do. At six centers, involvement with a professional organization is a requirement for employment.

Financial and Management Information

Auspice

TABLE 5: AUSPICE

Auspice	Number of Centers
Company	19 (24%)
Local Not-For-Profit	25 (31%)
Local For-Profit	8(10%)
National For-Profit	28 (35%)

Auspice refers to the terms of legal and financial ownership of the center. Auspice, however, does not entirely explain the financial arrangement. A number of companies do not expect a profit from the center even though it is not formally designated as not-for-profit: 19 centers are operated within the company on a break even basis. Ten centers are managed by a not-for-profit group created by the company for this purpose. At 28 centers, a management fee is paid to the organization operating the center; these organizations may be either not-for-profit or for-profit groups.

Management

Eight centers explained that the management of the center had changed. In one case, the company brought in a national organization to operate the center. In another case, the center management changed from a national for-profit organization deriving profit from the bottom line to a national group that receives a management fee. In several cases, this change was precipitated by a concern for the quality of care provided. The new management emphasized staff training and development, upgraded the salaries and benefits available for staff, and changed the orientation of the center to one of education.

Thirty-four centers have a board of advisors or a company task force that guides the activities at the center. Forty-three centers have a parent advisory board.

Centers are influenced by the sponsoring corporation in a variety of ways. In 29 cases, the person interviewed believed that the overall corporate philosophy influenced the center, usually through a strong commitment to

quality. In 38 cases, the company was responsible for hiring and overseeing the key staff at the center. In 43 cases, the person interviewed believed that the corporation influenced the center because of the direct financial support provided.

Cost to Parents

This information was provided by approximately half of the respondents. Centers charge parents in a variety of ways: by the hour, by the week, by the month. For the purposes of consistency, all information was calculated by the week.

TABLE 6: WEEKLY COST TO PARENTS

Age Group	Average Cost	Lowest Cost	Highest Cost
Infants	$113	$10	$249
Toddlers	$99	$10	$186
Preschoolers	$85	$10	$162

Financial Assistance

Of the 62 centers providing this information, 32 (52%) centers offer some sort of financial assistance to parents through a scholarship program or a sliding scale fee structure. Thirty (48%) do not provide assistance.

Cost of Start-up

Twenty-three centers provided specific figures for the company portion of the cost of starting the center. The amount provided by the companies ranged from $1,000 to $2 million. The average amount for these 23 centers was $503,415.

Operating Budget

Twelve centers shared information about the percentage of the operating costs that were subsidized by the company. The average amount is 39% of the operating budget. The lowest subsidy provided is 25% of the operating budget; the highest is 60%.

Twenty centers provided specific figures for the amount of financial support received from the sponsoring company. These amounts ranged from $10,000 per year to $950,000 per year. The average was $282,210.

Twenty-six centers described the hidden costs that are covered by the company but not considered part of the center's operating budget. These include building and grounds maintenance, property value and access to a subsidized cafeteria.

Budget for Staff

Twenty-four centers provided information regarding the amount of the budget allocated to staff: 74% is the average, 45% is the lowest, and 95% is the highest. The average of 74% at these 24 corporate-sponsored centers exceeds the minimum of 60% recommended by The National Child Care Staffing Study. It should be noted, however, that many centers did not choose to share this information.

Corporate Involvement

Rationale

The impetus for the corporation's involvement in child care tended to be the concern of the CEO or senior management (in 35 cases), and/or the concerns of employees (in 48 cases). Sometimes the employee concerns were surfaced through a company survey (in 25 cases). Sometimes these concerns were expressed to management in less formal ways (in 23 cases).

Benefit

Company representatives described a number of ways in which the child care center benefited the corporation. In most cases this information was acquired informally through conversations with employees, rather than through a formal cost/benefit analysis.

TABLE 7: WAYS CENTERS HELP THE CORPORATE SPONSOR

Benefit	Informal Information	Formal Study	Total # of Centers
Employee Satisfaction/Morale	40	6	46
Employee Recruitment	37	4	41
Retention/Turnover of Employees	35	5	40
Employee Productivity	27	5	32
Climate at the Workplace	20	1	21
Recognition/Publicity for Company	18	2	20

Impact on Quality

That impact that a corporate sponsor has on the quality of a child care center varies widely from company to company, center to center. As in the case of nine of the centers included in this study, some companies have very little involvement with their center. They may negotiate a discount for their employees or they may provide small donations. They do not evaluate the center in terms of its quality; they do not recommend or promote the center for use by their employees; they do not become involved in the ongoing operation of the center.

On the other hand, some companies are very involved with the center they support. Several case studies are provided in the next section. During the interviews, representatives were asked to describe the extent of their companies' involvement with the center. Primarily, companies influence quality through financial backing and ongoing financial support. Companies ensure that this support is used to provide quality by determining who will manage the center: by directly managing the center alone or as part of a partnership; selecting the management company and having the power to The cancel the contract if quality standards are not met; or hiring key staff with a commitment to quality care. Corporate sponsors are often involved in the development of center policy, are represented on the advisory board, and oversee budgetary decisions. In addition, companies provide the center with access to company resources, such as the personnel and purchasing departments, or company-sponsored training in such areas as management or team building. In some cases, the concern for quality care at the center grows out of a corporate philosophy that emphasizes a commitment to quality.

Funding Programs

Rationale

Corporations become involved in funding programs to respond to the concerns of employees (in 12 cases), because of the concerns of the CEO (in seven cases), or because of a concern for the needs of the community (in four cases). Twelve companies surveyed their employees before funding the program.

The guidelines for the type of support provided through the funding program were delineated in order to cover the range of employee needs (in 15 cases), to have an impact on the community (in 13 cases), or to provide nationwide equity for employees (in 10 cases).

Decision making

Decisions concerning how to use allocated funds are made by either a committee (in five cases) or a board (in four cases). Company representatives did not describe the decision making process involved in 10 funding programs.

Types of Funding Programs

Funding programs support a range of activities: training of caregivers (16 programs); upgrading of current child care programs (15 programs); start-up of child care programs (12 programs); support for family day care providers (12 programs); helping centers to meet NAEYC accreditation standards (nine programs); and providing subsidies for the operation of centers for several years after start-up (four programs).

Impact on Quality

Company representatives believe that these programs have an impact on the quality of care, either by supporting the training of caregivers (nine programs); improving the work environment for caregivers (six programs); improving the benefits available for caregivers (one program); or improving the salaries available for caregivers (one program).

The programs funded by 22 companies cover a wide range of activities. Company representatives were asked to describe to what extent and how these programs affect quality of care. In many cases, quality child care is a primary goal of the funding program. The program is a strategy for improving Twenty

Twenty quality of care either through educating parents as to what quality care is, training caregivers, sponsoring NAEYC conferences, supporting the start-up of child care programs of quality, or upgrading existing community centers. Only three companies were able to provide evidence, such as the number of caregivers who had become accredited or licensed, that the funding program had affected the quality of care.

Case Studies

A final component of the study involved site visits to 12 corporate-sponsored child care centers. The centers were selected to reflect a variety of industries, company sizes, locations and management configurations. In addition, an effort was made to select centers that were described as being of high quality, as the objective for the visit was to develop an understanding of how quality is maintained.

During each site visit, a team from Catalyst toured the center, interviewed the center director, interviewed the company liaison to the center, and in some cases conducted a focus group of parents with children attending the center. At some sites, focus groups were not permitted by the company or could not be arranged. Case studies for six of these corporate-sponsored child care centers are provided here.

The information gathered during the site visit has been organized so that it may easily be compared to the indicators of quality identified earlier in this report.

Apple Computer

Apple Computer is a computer manufacturer that employs approximately 8,900 people; 45% are women (6% of upper management). Apple has a near-site center in Cupertino, California, in the heart of Silicon Valley.

History of Involvement

In 1986, an employee task force was created to determine the kinds of benefits that would attract top computer people to Apple. They found that child care was a priority. A consultant was hired in 1987, and the company opened a near-site center in 1988. Originally, the center was managed by Apple's Employee Services Group under the direction of human resources. This changed in September 1992, when the management company Burud & Associates was retained. The decision to switch to an outside group was made

when the computer industry began losing money. This followed a trend of companies subcontracting out parts of the business that didn't directly deal with production.

The center offers a tour of its facilities every Thursday to give parents an idea of what to look for in other centers.

Since Apple has offices throughout the Santa Clara Valley, the central location of Cupertino was chosen because it is accessible from all sites. The center originally was a school for children with special needs. After purchasing it in 1988, Apple spent $1.5 million on its renovation.

Due to very high demand, Apple planned to expand the capacity of the center in 1989, but the crunch in the computer industry left funds completely unavailable. However, the center offers a variety of support services, including assistance to parents who cannot get their children into the center. One of these services is the Apple Child Care Resource and Referral service, which is run by the center director, Deanna Ballesteros. The service provides employees with immediate assistance in their search for child care. The center offers a tour of its facilities every Thursday to give parents an idea of what to look for in other centers.

The Center

The building, which is attractively landscaped with trees and flowers, is adjacent to a large city park on one side and surrounded by fields on the other three. The center comprises four classrooms, a large common room, administrative offices, a teachers' lounge, a director's office and four very large playgrounds. The first room one enters includes the program coordinator work stations, a reception desk equipped with an Apple computer for child check-in and check-out, and a reception area with couches. There is a bulletin board with pictures and biographies of teachers and individuals who may be seen around the center, including the maintenance man or the food delivery person. This helps to increase the parents' comfort level and familiarity with the people in their children's lives.

The center room features a communal play area used primarily by the preschoolers and transitioners (children two to three-and-a-half years old). It is two stories high with windows surrounding the top story and offers a well-stocked library for children and parents. There are four main classrooms: infant (12 children), toddler (12 children), transition (18 children), and preschool (32 children). The openness of the design is felt throughout because

each room has direct access to the outdoors. The architecture creates a flowing space, from interior to semi-enclosed space to outdoors. The design allows children to move freely while still being supervised.

Creating a homelike environment was an important concern in the design of the center. It was also important for the space to be appropriate and enjoyable for both children and adults. The director believes that while it's mandatory for children to be in an environment that satisfies their needs, it must be a quality work environment for adults, too, and a place parents can feel comfortable visiting. For this reason there are couches and chairs with big, colorful cushions in each of the rooms. This is just one aspect that contributes to the homelike feeling of the center. Another is the multitude of photographs of children decorating the walls. In addition, the playgrounds are surrounded by five-foot-high, whitewashed fences, which give the feeling of being in one's own backyard. The playgrounds offer climbing and play equipment that is varied, complex, colorful and safe.

SCHEDULE

The center is open from 7:00 a.m. to 7:00 p.m., Monday through Friday, and follows the company schedule for holidays.

CAPACITY

The center is running at capacity with 74 children enrolled. There is a great demand for space at the center, with 360 children on the waiting list. The center has developed a computerized lottery system, which it feels is the most equitable way to allocate space.

COST TO PARENTS

This information is considered confidential. The center conducts an annual study of the fees of 25 centers in the San Francisco Bay area, and then Apple sets its rate in the middle range, according to Deanna Ballesteros.

EMPLOYEE USAGE

The center is open to Apple employees only. There is a wide range of users, from top management to programmers, some of whom are single parents and several of whom are fathers.

CENTER PHILOSOPHY

Children are treated with a tremendous amount of respect. Giving children the freedom to move about and providing the space in which to do so are important aspects of the center's program. The comfort and development of children is also of the utmost importance, and for this reason children are assigned to a primary and secondary caregiver. These matches are made after a two-week trial period, during which the child interacts with all teachers in his or her class. After careful review, the most appropriate person is selected. These relationships benefit both the child and the parent. The child is able to build a stable, trusting and secure relationship, and parents have a strong and definite connection to their child's daily activities and ongoing development. In fact, the child care center views itself as a partnership between teachers, caregivers and parents. Each teacher is the primary caregiver for three or four children, which creates a natural structure for small groups that remain constant from day to day.

Children are assigned to a primary and secondary caregiver.

EDUCATIONAL PLAN

The center takes adaptations from several curriculums, the Research for Infant Educators, (RIE) curriculum, the HighScope curriculum and the Anti-Bias curriculum. Apple's program stresses development of children's social and cognitive skills. Children are given the freedom to play and explore—to learn by doing. In addition, Apple recognizes that every child is unique, and the center strives to develop that uniqueness.

Apple computers are used as a tool in the preschool environment. Children are encouraged to become familiar with computers and to perceive them as a lifelong tool for both work and play.

Children are encouraged to become familiar with computers and to perceive them as a lifelong tool for both work and play.

PARENTAL INVOLVEMENT

Parents are involved in an advisory group that provides them with representation within the center. They are welcome in the center and strongly encouraged to visit and participate in activities.

CORPORATE INVOLVEMENT

Originally run as a department of the company, the center is now managed by an outside child care company. While Apple has turned over management, it continues to be actively involved in the center.

A unique aspect of the management is that the program coordinators from each age group spend two hours daily on administrative duties.

CENTER MANAGEMENT

The center is managed on a fee basis by Burud & Associates, a small, for-profit company that manages several other centers in California. A unique aspect of the management is that the program coordinators from each age group spend two hours daily on administrative duties. The staff also undergoes team building and management training provided by Apple.

LICENSING & ACCREDITATION

The center is licensed with the Community Care Facilities Division of the State of California Department of Social Services. As of February 1993, the center is accredited by the NAEYC.

Sandy Burud, president of Burud & Associates, sees a very strong sense of professionalism in the center and notes that this "sense of self-respect contributes a lot to what goes on for the children."

Staffing Pattern

RATIOS

The teacher child ratio for infants is 1:3; for toddlers, 1:4; transition, 1:6; and preschoolers, 1:8. These ratios meet NAEYC standards.

GROUP SIZES

The infant and toddler rooms each have 12 children. There are 18 children in the transition room, and 32 children in the preschool room. However, part of each of the latter two rooms share the space of the large communal room, thus reducing group size. The group sizes for the two older groups are larger than those recommended by NAEYC, but the physical layout of the center, along with the assignment of primary caregivers and low numbers of children per adult, eliminate a cause for concern.

STAFF SIZE

There are 25 permanent staff members, and 13 teachers on the substitute list.

STAFF SCHEDULES

Staff schedules are designed to meet individual needs. Therefore, some work eight-hour days, others work six, and some work three-and- a-half hour days.

STAFF POSITIONS

The positions for staff include director, assistant director, curriculum coordinator, lead teacher, teacher and part-time aide.

STAFF TURNOVER

Staff turnover averages between 10% and 15% annually. According to the director, in the four years the center has been open, 13 teachers went on maternity leave and only one has returned. Maternity is the primary cause of turnover. This is below the national average of 25% found by the *1990 Profile of Child Care Settings*.

STAFF CREDENTIALS

Most teachers have associate's or bachelor's degrees and some have master's degrees. Teachers must have a minimum of one to two years of experience. A goal of the center is to have the entire staff become members of the NAEYC and the local AEYC.

STAFF EMPLOYER, WAGES & BENEFITS

The center clearly supports a career path.

Staff members are employed by Burud & Associates. Curriculum coordinators earn between $10 and $15 per hour, while lead teacher salaries range between $8 and $13 per hour. These figures are above the national average of $7.49 found by the *1990 Profile of Child Care Settings*. In addition, staff receive a comprehensive benefits plan, which includes health, dental, vision and life insurance, a 401K plan, vacation leave and sick days. Currently, Burud & Associates is working toward providing an HMO.

BUDGET ALLOCATION FOR STAFF COSTS

Eighty-five percent of the budget is allocated to teachers. This exceeds the 60% minimum recommended by *The National Child Care Staffing Study*.

STAFF TRAINING

Staff receive monthly training and attend conferences annually. The center clearly supports a career path. Five-year goals are established and discussed with supervisors, who work with individuals to help them achieve those goals.

Corporate Costs & Benefits

COST TO THE CORPORATION

Apple provides the entire budget and therefore funds whatever expenses are not covered by parent fees. It currently subsidizes 50% of the center although the company would like to achieve a break-even budget.

BENEFIT FROM THE DIRECTOR'S PERSPECTIVE

Because Apple believes strongly in team management, the center was founded on this philosophy. Deanna Ballesteros thinks that this is the key issue that makes the center first-rate. All decisions at the center are made by a team that convenes weekly. In addition to the training in team building, Apple also provides extensive management training in issues such as how to conduct performance reviews or how to foster conflict resolution among staff.

The director, in comparing the Apple Center to other child care centers at which she has worked, thinks that the corporate-sponsored center is much more sophisticated because it has access to the many departments of the company. One example she gave was having access to the human resources staff who provide training on time management and organization. The corporation also offers an EAP (employee assistance program) with 20 psychologists who have come to the center to conduct seminars. After a recent earthquake, for example, a psychologist came in to help the staff deal with issues surrounding this stressful event. At a non-corporate sponsored center, hiring a psychologist would most likely be too costly.

BENEFIT FROM THE CORPORATE PERSPECTIVE

Although no formal study has been conducted, Apple views the center as beneficial in improving employee recruitment, productivity and satisfaction, as well as reducing turnover.

CORPORATE IMPACT ON QUALITY

Apple has extremely high standards and, because the center shares its name, those standards must be met by the center. Apple helped to set priorities for quality care and for creating a good environment for teachers.

Campbell Soup Company

Campbell Soup Company, a Fortune 500 company, manufactures branded consumer food products. The company has approximately 32,300 employees; 45% of whom are women. Campbell's on-site child care center is located at its headquarters in Camden, New Jersey.

History of Involvement

In 1980, president and CEO Gordon McGovern held focus groups with employees to gauge their satisfaction with the company and work environment. Child care surfaced as a major issue, and McGovern immediately recognized that an on-site child care center would benefit employees and the company as well.

As a first step, Campbell conducted a needs assessment. An on-site center emerged as the preferred choice of employees. The center opened in January 1983 in a renovated warehouse on company grounds. After being managed by another provider for three years, the contract was turned over to Resources for Child Care Management (RCCM) in 1986.

RCCM was initially hired as a consultant to monitor and address the concerns of parents and the company, such as high staff turnover. Campbell, until this point, felt the high turnover was normal. RCCM brought to the center a different style of management than that of the previous manager, and was granted the contract because of its high standards. Today, Campbell management plays a very active role in ensuring that high standards are met and that the center meets the needs of both the company and its employees.

An on-site center emerged as the preferred choice of employees.

The center also offers a "Summer Fun" program to children of employees in kindergarten through third grade.

The Center

The center is located in a 11,000 square-foot renovated warehouse across the street from the headquarters office building. The classrooms are filled with age-appropriate furniture, play equipment and toys. The walls are bright and cheerful. While the rooms are quite large, many have no windows. However, high windows line the corridor, which allow parents to peek in on their child without disturbing the class. The playground has new play equipment

designed to ensure safety and imaginative play. The play areas are narrow strips of land on the front and side of the building. Unfortunately, they adjoin busy, high-traffic streets, and do not have much space for running and outdoor play.

SCHEDULE

The center is open Monday through Friday, from 7:00 a.m. to 6:00 p.m., and closes on company holidays.

CAPACITY

The center has a capacity of 135 children. It accommodates children from six weeks of age through kindergarten. It is open only to Campbell employees. Eligibility is determined by a waiting list on a first-come, first-served basis.

COST TO PARENTS

The cost for infants and toddlers is $88.00 per week; $78.00 per week for intermediate; and $68.00 per week for preschoolers. These rates are well below the market rates; however, it is important to note that because of the large subsidy that Campbell supplies, parents cannot use the full $5,000 benefit that allows pretax dollars to be set aside for dependent care.

EMPLOYEE USAGE

Employees who use the center are reflective of the general headquarters' population. Sixty-eight percent of parents are management level, and 32% are non-management employees. Twenty-five percent of employees using the center are male.

CENTER PHILOSOPHY

Pat Dinney, the director of the center, truly values her staff, and sees it as the core of the center's success. She spoke of the importance of having a high quality staff: "I have worked in really nice physical situations, and I have worked in really lousy physical situations. What it all boils down to is no matter what you provide in terms of walls and carpet and furniture, it is the people who are there. These people are the best I have ever worked with." Dinney believes that sustaining a strong relationship with her teachers is not only beneficial for their work life, but is extended to the care of children.

EDUCATIONAL PLAN

The center follows the High Scope developmental curriculum, which encourages a sense of self-worth and individuality by recognizing the social, intellectual, physical and emotional needs of the child, and by allowing the child to grow at his or her own rate. The staff works to instill confidence and security in the child by providing a warm atmosphere in a stimulating, educational and social environment. The staff works closely with the parents to develop an enriching experience for the children.

The staff works to instill confidence and security in the child.

PARENTAL INVOLVEMENT

The center offers parents workshops and discussion groups about child development. Parent representatives meet monthly with the director and regional representatives to discuss any issues and concerns they may have. Ongoing communication between staff and parents is an important aspect of the center's program. Parents are provided with daily experience reports about their children.

CORPORATE INVOLVEMENT

The company is committed to overseeing the management of the center, and supporting it financially to maintain a high level of quality. Janet Everwine, supervisor of employee services, is the corporate liaison to the center. She plays an extremely active role in the ongoing management of the center and her commitment creates a positive impact on the center.

CENTER MANAGEMENT

Since 1986, the center has been managed by the for-profit group, Resources for Child Care Management (RCCM), on a management-fee basis. Campbell was the first corporate-sponsored center they managed. According to Janet Everwine, when Campbell switched to RCCM, the center became a "Campbell Center," and was more inclusive of parental involvement.

LICENSING & ACCREDITATION

The center is licensed by the state of New Jersey. The center has completed the self-evaluation portion of the NAEYC accreditation process and is expecting approval.

Staffing Pattern

RATIOS

The teacher-child ratio for infants is 1:4; for toddlers, 1:5; for intermediate, 1:7; and for preschoolers, 1:8. These ratios meet the standards recommended by the NAEYC.

GROUP SIZES

There are 12 children in the infant groups, 15 in the toddler groups, 19 in the intermediate group and 20 in the preschool groups. The group sizes for infants and toddlers are slightly larger than those recommended by the NAEYC.

STAFF SIZE

There are 34 full- and part-time staff members.

STAFF SCHEDULE

Full-time teachers work a 40-hour week. Part-time schedules are between two-and-a-half and six hours daily.

STAFF POSITIONS

The staff includes a director, assistant director, teacher, assistant teacher and aide.

STAFF TURNOVER

The turnover for teachers was 15% in 1990. This is considerably less than the national average of 25% found by the *1990 Profile of Child Care Settings.*

STAFF CREDENTIALS

Six out of the seven teachers have bachelor's degrees, three have master's degrees. All have child care experience. Assistant teachers have academic course work in education, as well as practical experience. Several teachers are members of the NAEYC.

Pat Dinney described what she looks for when hiring teachers:

> *When I interview people, I look for a sense of humor. I look for a nurturing quality and an educational background. This is an intense job and it's eight hours a day. It is dealing with children in all of their moods, and dealing with parents in all of their moods. If you can't step back and laugh a little bit, then maybe it's not the job for you.*

STAFF EMPLOYER, WAGES & BENEFITS

Teachers are employed by RCCM. They receive salaries that range between $8.65 and $10.60 per hour plus benefits. This range is above the national average of $7.49 found by the *1990 Profile of Child Care Settings*. The benefits include medical and dental insurance, retirement plan, vacation leave, and personal and sick days.

BUDGET ALLOCATION FOR STAFF

Seventy percent of the total budget is allocated to staff salaries and benefits. This is greater than the minimum of 60% recommended by *The National Child Care Staffing Study*.

STAFF TRAINING

Training in the High Scope curriculum is provided through RCCM. They bring in specialists to conduct workshops on child development. The center offers rotational training of staff on a monthly basis. Annual training is also provided in CPR and first aid.

According to Pat Dinney, having a career path is an important aspect of the center. Their "goal is to keep people, to keep them in early childhood development, and to make work as challenging as possible."

Corporate Costs & Benefits

COST TO THE CORPORATION

The cost of the center's start-up is estimated between $200,000 and $300,000. In addition, Campbell currently subsidizes about 40% of the center's budget, or $300,000 annually. The company pays for utilities and ongoing maintenance of the center.

BENEFIT FROM THE PARENTS' PERSPECTIVE

Parents unanimously said that proximity and convenience were two of the primary benefits of having a center at their worksite. Because Campbell's name is attached to the center, parents felt confident that their children were receiving first-rate care. Parents believed that having an on-site center meant having a greater connection to other parents, and a presence that helped monitor and ensure high quality. They also felt that, unlike some other forms of child care, the center provides guaranteed care, which results in reduced absenteeism and an increase in productivity.

BENEFIT FROM THE DIRECTOR'S PERSPECTIVE

Pat Dinney knows that Campbell is very responsive to the center's needs. Through Janet Everwine, Dinney has been able to tap Campbell's resources. Whether it is having access to the company maintenance team to fix a clogged toilet, or asking the company to purchase new play equipment, the center always has Campbell's support.

BENEFIT FROM THE CORPORATE PERSPECTIVE

Campbell has never conducted a formal cost/benefit analysis. The center has generated a tremendous amount of publicity, as evidenced by the many articles that have featured Campbell's center. Company representatives believe that the center has benefited employee recruitment, retention, productivity and overall satisfaction.

CORPORATE IMPACT ON QUALITY

The company believes that quality can be monitored and improved through the existence of the parent committee, the consideration of employees' expectations and the contractual relationship with a child care company. Campbell is committed to overseeing the management and supporting the center financially to maintain its high quality.

Champion International Corporation

Champion International Corporation is a *Fortune* 500 company that manufactures paper. Headquartered in Stamford, Connecticut, the corporation has 11 large paper mills in rural areas that operate 24 hours a day, 365 days a year, and many smaller facilities scattered throughout the country. It employs approximately 21,300 people, most of whom work in plants. The corporation supports a near-site child care center in Stamford for its headquarters staff.

History of Involvement

The commitment of Champion's CEO was the driving force behind the center. Approximately five years prior to the opening of the center, a task force was formed to explore various child care options. The corporation conducted an employee survey two years later, which found that child care was a major concern to employees at headquarters. First, Champion tried to form a partnership with another company, but that company withdrew because of the level of financial commitment necessary. Champion also attempted to work within the community by offering to rent or buy a nearby unused school building. Evidently, neighbors in the area wanted the school to be reopened and did not want it used as a corporate child care center. Champion became discouraged by the lengthy political process involved and decided to open its child care center in an old office building it owned across the street from the corporate offices.

The task force visited 20 child care centers along the East Coast and made formal lists of what it did not want in a child care center. In 1987, approximately a year before opening the center, Ralph Roe was hired to direct the center. Previously, he had directed a child care center serving employees at two hospitals in New York and he had lengthy experience in early childhood education. Currently, he is active in the NAEYC and serves as a validator during the accreditation process at other centers.

An architect with experience in designing child care centers was hired; he created a child care center on the first floor of the office building, taking into account input from the task force.

Champion also arranged for the King Low-Heywood Thomas School in Stamford, Connecticut, to manage the center. The school is a private school for children in kindergarten through high school and has an excellent reputation in the area.

The Downtown Children's Center opened on January 4, 1988, after approximately five years of planning.

The Center

The center space of 4,900 square feet is imaginatively designed. The task force did not want the center to look like a school with formal hallways and square rooms, so the architect created tiled curved pathways that wander through oddly shaped rooms. The space is open with the areas defined by built-in furniture, low walls (two or three feet high), and panels that hang from the ceiling to reduce noise. From the adult perspective, the space is open. From the child perspective, the areas are clearly defined. There is a room for each age group, as well as a reception area, an office for the director and a room for teachers. An exit door at the back of the building leads to the playground and a parking lot. Parents may use that door for drop-off and pick-up. The playground is small, but secluded, and filled with safe, modern equipment. There is no indoor area designed to develop large motor skills.

There is a security system that requires pressing a buzzer at the outside door. Someone from inside must release the locking mechanism to allow entry into the building and again, to enter the reception area. Here, visitors are still separated from the children by a locked door. Anyone who picks up a child must be designated by the parents in advance, listed with the office, and present photo identification.

The center is approximately 100 yards away from the corporate offices, which are across an active city street, in a nine-year-old building with outdoor plazas on the ground and cafeteria floors. The building also houses the "Whitney Museum in Stamford" and two floors of offices for another company.

SCHEDULE

The center is open from 7:30 a.m. to 6:00 p.m., Monday through Friday. It is closed only on corporate holidays.

CAPACITY

The center is licensed for a capacity of 66 children. Currently, the center cares for 60 children aged three months to five years. People on the waiting list are accommodated on a first-come, first-served basis.

COST TO PARENTS

Community parents pay a rate that is consistent with the cost of care offered elsewhere in the area, and approximately $35 more per week than employees pay. Champion employees pay $175 a week for infants, $155 a week for toddlers and $135 a week for preschoolers. Subsidies are approved on a case-by-case basis and are provided in varying amounts.

EMPLOYEE AND COMMUNITY USAGE

There are 500 Champion employees at the corporate office. Of the broad cross section of employees who use the center, there is a large representation of support and entry to mid-level exempt staff. A large number of male employees have children at the center. The center is open to the community, but children and grandchildren of Champion employees are given first preference. Currently, the center is filled with children of Champion employees, due to a surge of births among company workers.

CENTER PHILOSOPHY

The director, Ralph Roe, described his mandate from Champion as providing care that is accessible and of high quality. He referred to Burton White's theory that children need "cheerleaders" in their life to motivate them to take risks and to move from one stage to another. Roe looks for this quality in his staff members and in their interactions with the children.

EDUCATIONAL PLAN

The director and teachers follow the curriculum specified by the NAEYC in their book, *Developmentally Appropriate Practice in Early Childhood Programs Serving Children from Birth through Age 8.*

PARENTAL INVOLVEMENT

The parents are very involved with the center. They visit the center at lunch time and often take the older children to the cafeteria in the corporate office. There are monthly meetings for parents.

STAFF POSITIONS

Staff positions include a director, head teachers, teachers and assistant teachers.

STAFF TURNOVER

Turnover at the center is "minimal." In the past year, two out of 20 people have left. One of those was asked to leave. This is much lower than the 25% average turnover among child care workers found by the *1990 Profile of Child Care Settings.*

STAFF CREDENTIALS

The director looks for teachers with both a degree in early childhood education and experience with the appropriate age group. The center does make some exceptions at the assistant level and will hire individuals without a degree if they have extensive experience.

STAFF EMPLOYER, WAGES & BENEFITS

Parents talked about how they liked having their children close by, and repeatedly discussed the convenience of the center.

The teachers and the director at the center are employees of the King Low-Heywood Thomas School. Head teachers earn $25,000 to $30,000. Teachers earn $20,000 to $25,000. Assistants earn $18,000 to $20,000. The director believes that teachers are motivated to leave for jobs in the school system, which offer higher salaries and a summer vacation. As a result, he has attempted to offer salaries that are competitive with those offered by the local school system. These salaries are considerably higher than the average salaries found by the *1990 Profile of Child Care Settings.*

Staff at the center have a choice of three health plans and are a part of the Connecticut State Teacher's Retirement System. Their benefits include paid holidays, personal days, vacation and sick days. They receive compensation time for seminars they attend outside of the center.

Although staff are not employees of Champion, they may use the company's fitness center and are included in company-sponsored programs and events such as the company picnic.

BUDGET ALLOCATION FOR STAFF COSTS

About 80% of the operating budget is allocated to staffing costs. This is greater than the minimum of 60% recommended by the *National Child Care Staffing Study.*

CORPORATE INVOLVEMENT

The director of the center, although not an employee of the corporation, was originally hired by the corporation and serves as a member of the work and family task force at Champion.

CENTER MANAGEMENT

The director has access to the specialists on staff at the school, such as the social worker and the school psychologist.

The center is managed, for a fee, by the King Low-Heywood Thomas School, a local for-profit private school. The school serves as a consultant in curriculum development and educational planning, while allowing the center's director a great deal of independence. In addition, the director has access to the specialists on staff at the school, such as the social worker and the school psychologist.

LICENSING & ACCREDITATION

The center is licensed by the state of Connecticut and is accredited by the NAEYC. The director found the accreditation process to be worthwhile, as it involves a self-study component that creates team spirit among staff and clarifies common goals.

Staffing Pattern

RATIOS

There is a ratio of one adult to three infants, one adult to four one- and two-year-olds, and one adult to seven preschoolers. These ratios exceed the ratios recommended by the NAEYC.

GROUP SIZES

There are two groups of six infants, two groups of six one-year-olds, two groups of eight two-year-olds, and 20 preschoolers. These group sizes reflect the recommendations of the NAEYC and, for the younger children, are well within the NAEYC recommendations.

STAFF SIZE

There are 20 people on staff.

STAFF SCHEDULES

Staff commonly work eight-hour shifts.

STAFF TRAINING

There is a two-week training module for newly hired staff to ensure that everyone starts "in the same place." Monthly staff meetings offer additional opportunities for training. Staff are encouraged to take courses and attend conferences.

Corporate Costs and Benefits

COST TO THE CORPORATION

Corporate representatives were not forthcoming about the actual cost to the corporation, but characterized it as "substantial."

BENEFIT FROM THE PARENT'S PERSPECTIVE

The average 20-to-30 minute commute parents have with children into the city of Stamford does not dissuade them from using the center. Parents talked about how they liked having their children close by, and repeatedly discussed the convenience of the center.

Parents were very pleased that the center was associated with the King Low-Heywood Thomas School and with Champion. They felt that this was an indication that the center was of high quality. Parents with preschool-aged children were pleased with the extra activities scheduled for that age group, such as field trips to the Stamford Nature Center or the library.

Several parents described other local child care situations. One parent expressed discomfort with several family day care situations that included large numbers of children and permitted excessive television watching. This parent felt that the activities at Champion's center were of much higher quality. Another parent described a large center that had too few caregivers for individual infants. She preferred the Champion center, with "definite little families in the rooms, particularly in the youngest classes."

BENEFIT FROM THE DIRECTOR'S PERSPECTIVE

The director is committed to employer-sponsored care because it eliminates the need for constant fundraising. At this center, he can focus all of his attention on staff training and working with children, teachers and parents.

BENEFIT FROM THE CORPORATE PERSPECTIVE

According to the vice president of equal opportunity and work/family services, the benefit to the corporation is not readily quantifiable. New staff may note that the center was a factor in their decision for coming to work at Champion. Several women at the parent focus group mentioned that they took the job at Champion because of the child care center. The corporation is committed to the support of the center, as long as the center is full and representative of Champion children.

PARENT CONCERNS

Parents in the focus group raised concerns about the lack of an indoor play space for use in bad weather and the neighborhood in which the office building is located (it is on a busy street near the train station).

CORPORATE CONCERNS

"These children will be tomorrow's employees."

The corporation wants to expand its involvement in work and family issues to its rural plant sites. The situation at those sites is very different, however. The plants operate on three eight-hour shifts. The employees change shifts on a regular basis, which would mean that their child care needs would also shift. Champion is concerned about the child care needs of all of its employees, but the situation for employees at the corporate office differs dramatically from those at the mills.

CORPORATE IMPACT ON QUALITY

The corporation hired the current director, sought out the association with a highly regarded local school, hired an architect who specializes in the design of child care centers, and formed a task force that worked for two years examining child care options. In addition, the corporation wanted the center to become accredited by the NAEYC. The director noted that the corporation gave him two goals to meet when he was hired: accessibility and quality. Most importantly, the corporation supports the operating budget, which helps to ensure high quality care.

Lomas Financial Corporation

The Lomas Financial Corporation is a Service 500 company in Dallas, Texas. Its business is in mortgage banking, financial services and information systems. The company employs 2,100 people.

History of Involvement

Jess Hay, the Chairman and CEO of Lomas, is the driving force behind The L&N School (named after Lomas and Nettleton, the company's name until 1988). Providing child care for Lomas employees had been a long-time goal of Mr. Hay and his wife, Betty Jo. With the centralization of the company's mortgage banking operation (in late 1982/early 1983) they decided that it was timely and appropriate to build a child care center in the company's new Service Center building. The school opened in September 1984 with 70 children and 15 teachers. After expanding in 1986, the center now accommodates 124 children.

Mr. Hay is very committed to the school, which is heavily subsidized by the company. He talked about the short-term business payoffs of on-site child care (it keeps employees happy, productive and loyal, and humanizes the workplace) and the long-term benefits to society: "The nature and quality of our society, 20, 40, 50 years from now will be tremendously influenced by the quality of child care available in our community." He added, "These children will be tomorrow's employees."

The Center

The CEO's support is reflected throughout the center, from the professionalism of the staff to the attractive and functional facility. Located on the ground floor of an eight-story office building, the center has 10 classrooms (two for infants; one for transition-aged children; three for toddlers; two for multi-aged; one for prekindergarten; one for kindergarten), and several large outdoor play areas. The main play area was designed by a playground architect/consultant, who holds a degree in early childhood education. The L&N School has a licensed kindergarten program.

The center has a solid relationship with a local university and works closely with student teachers. Catalyst researchers met one student teacher who said that internships at Lomas are extremely desirable because of its reputation for offering the best learning environment.

SCHEDULE

The center is open from 7:30 a.m. to 5:30 p.m., Monday through Friday. This coincides favorably with the normal working hours for Lomas employees of 8:00 a.m. to 5:00 p.m. It also allows for 30 minutes to drop off the children in the morning and to pick them up in the evening.

CAPACITY

The center is running at capacity (124 children) with a waiting list of 95.

COST TO PARENTS

The center is open to Lomas employees only. The cost is determined by the child's age: $111/week for infants, $101/week for toddlers, $85/week for 3-5 year-olds. These rates are competitive for the Dallas community. Child care fees are automatically deducted from employees' paychecks.

An important part of the philosophy is the dedication to the family and to parenting.

EMPLOYEE USAGE

Employees at every level use the center. While more female employees use the center, many fathers whose wives work elsewhere also take advantage of the school. "We've also had a situation, where the mother, father and grandfather worked at Lomas," notes Kate Wheeler, center director, "It's just beautiful that the whole family can come to work together."

CENTER PHILOSOPHY

The L&N School is dedicated to providing a quality child development center with an educational emphasis; thus the word "school" in its name. The school provides a developmentally appropriate curriculum with a focus on the individual child. Emphasis is placed on providing growth-enhancing activities and on high-quality teacher-child interactions. Further emphasis is placed on teacher-parent communication and interaction. An important part of the philosophy of the school is the dedication to the family and to parenting.

EDUCATIONAL PLAN

Lomas has a developmentally appropriate curriculum. The teachers design their own curricula. Each age group has a base curriculum for the orientation of new teachers.

PARENTAL INVOLVEMENT

Parent involvement is encouraged. There are three committees for parents: the Special Events Committee, the Special Needs Committee and the Charitable Contributions Committee.

CORPORATE INVOLVEMENT

Because the CEO of Lomas is clearly interested in the school and the school is a department of Lomas, the company heavily influences the school's direction, curriculum and management.

CENTER MANAGEMENT

The center is managed by Lomas, and it is treated as a company department.

LICENSING & ACCREDITATION

The school is licensed by the state of Texas and accredited by the NAEYC.

Staffing Pattern

RATIOS AND GROUP SIZES

The following information was provided:

Age	Ratio	Group Size
Infants (6 weeks to 1 year)	1:4	8
1 year to 18 months	1:4	12
18 months to 3 years	1:6	12
3 years to 4 years	1:7	14
4 years	1:9	18
Kindergarten	1:7	14

These ratios and group sizes meet the standards recommended by the NAEYC.

STAFF SIZE

There are 23 teachers on staff.

STAFF SCHEDULE

The staff's work hours are 7:15 a.m. to 4:30 p.m. or 8:30 a.m. to 5:30 p.m.

STAFF POSITIONS

The staff positions are director, teacher, a part-time nurse-midwife, secretary, infant teacher's aide and kitchen aide.

The nurse-midwife (with the title of Coordinator of Health and Family Services) is an R.N. with a master's degree in maternal-newborn nursing. She spends much of her time counseling parents and heading up the "Parents-As-Teachers" program. This program, which is free to parents, offers them the opportunity to meet daily with their child's primary teacher, visit the parent educator and use the parent resource library at the center. The nurse meets with parents before their baby is born to help them prepare for their new roles; she also meets with parents once every two or three months after the baby is born to give them guidance on fostering the child's intellectual, language, social and motor skills development. She offers periodic checkups to detect any hearing or vision problems.

STAFF TURNOVER

There has been no turnover at The L&N School in more than a year, which is extraordinary.

STAFF CREDENTIALS

The director holds a master's degree in elementary education. All the teachers have bachelor's degrees in either child development or early childhood education, or education degrees with early childhood experience.

STAFF EMPLOYER, WAGES & BENEFITS

All staff members are Lomas employees. The teachers' salaries start at $20,200 a year. This is higher than the average of $7.49 found by the *1990 Profile of Child Care Settings*. Center staff receive all company benefits, which are very generous, and teachers get an additional two sick days a year, plus a free half-day every other month. All Lomas employees get their birthdays off.

BUDGET ALLOCATION FOR STAFF COSTS

This percentage was unavailable.

STAFF TRAINING

There is a monthly staff meeting and training session conducted by the director.

Corporate Costs & Benefits

COST TO THE CORPORATION

Lomas subsidizes about 50 percent of the school's cost.

BENEFIT FROM THE PARENTS' PERSPECTIVE

Parents told Catalyst researchers that their children were very happy at the center and that they were impressed by how much their children learn. They also complimented the high quality of the teachers and the low turnover rate. Two women said they had been offered better-paying jobs elsewhere, but stayed at Lomas because of the center.

BENEFIT FROM THE DIRECTOR'S PERSPECTIVE

Lomas conducted one formal analysis, which found that employees who use the center have an absenteeism rate that is 50 percent less than other employees. The director felt that corporate involvement was key to the center's success: it provides the funds to pay the staff higher salaries, which attracts a more educated staff and lowers turnover.

BENEFIT FROM THE CORPORATE PERSPECTIVE

Enhanced loyalty, higher morale, lower turnover and a "humanization" of the workplace were cited.

PARENT CONCERNS

Parents were concerned about the cost, which was recently increased at the same time student-teacher ratios were increased (although they continue to meet or exceed the national accreditation standards). It also appears that the message and values of the CEO are not fully shared at the senior management level in part because there is a traditional attitude toward male and female roles in regard to work and family. Some parents said their supervisors were not understanding of the work/family conflict. One father said he finds it difficult to demonstrate to his older, male supervisor that he could work a full and productive day and leave at five o'clock.

CORPORATE IMPACT ON QUALITY

Lomas's sponsorship of The L&N School makes a major impact on the high quality of care. This is evident throughout the program: the low ratios, the highly qualified staff and the comprehensive curriculum.

Northern Trust Corporation

Northern Trust is a banking-and-trust and financial services institution headquartered in Chicago. The company employs approximately 6,600 people (5,000 at headquarters, 65% of whom are women). The bank opened an on-site center in September of 1990.

History of Involvement

In 1988, Northern Trust was developing plans to build a new operations center and incorporated space for a child care center. Management encouraged further investigation of the center. The company hired a consultant to assess and analyze the feasibility of an on-site center. The study determined that there was a strong interest in on-site care, and management supported the plan to move ahead. Corporate Child Care Management Services, Inc. (CCCMS) was chosen to manage the center because of its expertise in providing child care in a corporate environment.

The Center

The center is located on the mezzanine level of Northern Trust's operations center, a two-year-old facility located about 15 minutes from the central business district and Northern's headquarters building. Northern's center offers a "state-of-the-art" facility designed especially for children. Access to the center requires passing through two locked, identification-card accessible doors. There are two infant rooms, one large toddler room that is split in half, and one large preschool room also divided in half. There are windows along one wall, but because of the way the space is configured, all rooms have daylight. The toddler and preschool rooms are big and bright and have many modern conveniences. Adhering to stringent city licensing laws, the center is extremely clean. A highlight of the center is the outside play terrace. It is approximately 5,000 square feet, with well-padded floors, modern, adjustable climbing equipment, huge windows overlooking the railroad tracks, little balconies enclosed by the windows, and a covered section for use in bad weather.

SCHEDULE

The center is open from 7:00 a.m. to 6:00 p.m. Monday through Friday, excluding bank holidays.

CAPACITY

The center accommodates 72 children: 16 infants, 20 toddlers and 36 preschoolers. Currently, there are 60 children attending the center. Enrollment for the infant and toddler programs is typically at or near capacity.

COST TO PARENTS

The cost for infants is $143 per week; for toddlers, it is $135 per week; for the young preschool group (26 months to 36 months), $122 per week; and for preschoolers, $105 per week. There is a scholarship program for 14 children whose family income falls below a certain adjusted gross level. This scholarship covers between 40% and 50% of the cost.

EMPLOYEE USAGE

The average age of center parents is between 30 and 39 years. The majority of users are women who have been with the company for fewer than five years. About 60% are exempt employees and officers. Approximately 90% of the parents who use the center commute by car; 50% of families live in the city and 50% in the suburbs. Reserved parking spaces in the operations center's garage make the trip easier for parents and cost only three dollars per day. In fact, most of the parents who use the child care center choose to drive. For those few parents who commute by train, there is a Northern Trust shuttle bus that takes them to the operations center.

The company has not considered opening the center to the community because the center is close to reaching its capacity. However, there has been considerable interest from non-employees. Members of the community and people working at other banks have approached Northern's human resources department and the center director with hopes of enrolling their children.

CENTER PHILOSOPHY

The philosophy at Northern Trust's child care center focuses on creating and maintaining high-quality care and developmental experiences for children, while at the same time responding to the needs of the sponsoring corporation. It was important to establish a partnership between the corporation and the child care management company. Having a highly qualified staff is integral to this program. In addition, the center's environment is critical to quality child care, thus Northern has invested substantial funds in the center design.

EDUCATIONAL PLAN

There is a program of activities designed to provide each age group with a positive self-image and a variety of age-appropriate skills.

PARENTAL INVOLVEMENT

Parents can become involved in the center's parent advisory council, which does not determine policy but gives parents an opportunity to share their opinions and viewpoints. The council meets bimonthly to discuss upcoming center events and any issues or concerns parents may have. Parent involvement is welcome and encouraged.

It was important to establish a partnership between the corporation and the child care management company.

CENTER MANAGEMENT

Northern's child care center is managed, on a management fee basis, by Corporate Child Care Management Services, Inc., a for-profit organization that specializes in the development and operation of employer-sponsored child care programs.

CORPORATE INVOLVEMENT

One of the reasons Northern Trust selected Corporate Child Care Management Services is because it shares Northern's philosophy of providing high quality client service and ensuring client satisfaction. Northern did not want to be involved in the daily management of the center that needed to be done by child care experts. However, they wanted the center to be a part of the organization, reflecting its goals and philosophy and accommodating the child care needs of employees.

LICENSING & ACCREDITATION

The child care center not only meets but exceeds all state and city licensing requirements. The center was built and staffed to NAEYC specifications and is currently undergoing accreditation review.

The center director, when asked what factors are critical to quality stated:

> *The critical thing is staff. The program is not what you see in terms of the Velcro and the foam on the playground. Real quality is the staff. And you need to keep them. They need to have experience in the field, and training in the field, not a major in commercial art and then decide they want to work with young children. They need specialized knowledge; there very definitely is a need for specialized knowledge and experience.*

Staffing Pattern

RATIOS

The ratio of teacher to child for infants is 1:4; for toddlers, 1:5; for transition (28 mos. to 40 mos.), 1:8; and for preschoolers, 1:10. These ratios meet NAEYC standards.

GROUP SIZES

There are two rooms of eight infants. The transition group consists of sixteen children; there is one toddler group of ten and one of eight children; and the preschooler room has 20 children. These group sizes meet NAEYC accreditation.

STAFF SIZE

There are twelve full-time and eight part-time teachers, and a fluctuating number of interns who are viewed as a benefit in increasing staff to child ratios.

STAFF SCHEDULES

Staff work a full-time, 40-hour-per-week schedule.

STAFF POSITIONS

The staff includes a director, assistant director, primary teachers, assistant teachers and interns. The director and assistant director are the parents' primary contact. They are responsible for overseeing the curriculum and staff, and for handling administrative duties.

The center supports a career path for teachers and promotes from within. The path is teacher; lead teacher, which has more responsibilities and greater compensation; program coordinator or assistant director; director. A director can become a CCCMS district manager or a regional manager.

STAFF TURNOVER

Turnover at the center, as reported by vice president/manager work and family programs, Jeanne Ulatowski, is very low. She stated that most teachers stay for at least a year. This can be compared with the average turnover rate of 25% found by the *1990 Profile of Child Care Settings*.

STAFF CREDENTIALS

Most of the center's lead teachers have bachelor's degrees in early childhood development, and a number of years of experience. Other teachers have completed or are working toward an associate's degree in early childhood development.

STAFF EMPLOYER, WAGES & BENEFITS

Teachers are employed by CCCMS. They receive salaries that range between $9 and $11 per hour. These wages are higher than the national average of $7.49, the midwest average of $7.58, and the average for cities of $8.42, found by the *1990 Profile of Child Care Settings*. Benefits include medical and life insurance and vacation leave.

BUDGET ALLOCATION FOR STAFF COSTS

Ninety to ninety-five percent of the CCCMS budget, which excludes the costs of the building, maintenance and utilities, is allocated to teachers. This is considerably higher than the minimum of 60% recommended by the *National Child Care Staffing Study*.

STAFF TRAINING

Teachers receive annual training in CPR and first aid, fire training and nutrition. In-house training is offered during nap time. Teachers also attend seminars and conferences.

Corporate Costs & Benefits

COST TO THE CORPORATION

The cost of creating the facility is not available because the child care center was built as part of the operations center, making it part of that project's budget. The company pays CCCMS an annual management fee. This fee is a per day, per child rate, so it is directly linked to enrollment.

Northern pays for the space, furniture, fixtures, utilities and ongoing maintenance of the center. In addition, the company contributes to the scholarship program.

BENEFIT FROM THE DIRECTOR'S PERSPECTIVE

Since Northern has purchased all the equipment and assumes the cost for maintaining the facility, these costs are not built into parent fees. Therefore the center can pay teachers more, and keep parent fees competitive. As Jeanne Ulatowski stated, "If we were to load all costs into parent fees, many of our parents wouldn't be able to afford the center."

The director has an annual equipment budget which is negotiated with Northern. Since Northern pays for center equipment, all purchase requests are reviewed and approved by Ulatowski. The director also acknowledges the benefit of CCCMS's resources. The center director has a listing of every director in CCCMS she can turn to with questions or concerns about child development or center management.

BENEFIT FROM THE CORPORATE PERSPECTIVE

The center has been a great source of pride for employees, who often give tours of the center to their clients. There has also been a tremendous amount of public recognition and interest in the center. Informally, Northern Trust has noticed benefits in employee recruitment, retention and productivity.

CORPORATE IMPACT ON QUALITY

Northern Trust believes that its careful choice of expert staff has positively influenced quality. It has invested funds in developing a top-notch center and continues to support the center financially.

In providing the center for its employees, Northern views the relationship with CCCMS as a partnership. For example, if the center needed a piece of equipment which was unbudgeted, the manager of work and family programs would discuss the issue with the director and regional manager to determine how they could resolve the need, perhaps by sharing the expense. The goal of Northern and CCMS is to make decisions that will not harm the delivery of quality care; they work together to ensure that this does not happen.

Official Airline Guides

Official Airline Guides (OAG) is an information publishing company employing approximately 1,100 people. Its largest divisions—Transportation Guides and Standard Rate and Data Service— are located in the Chicago area and are the world leaders in supplying travel and advertising information to their respective markets. Over 70% of the company's employees are women (54% managers). The company has an on-site center at their headquarters in Oak Brook; it was the first on-site child care center in the state of Illinois.

History of Involvement

The idea to open an OAG on-site child care center came from former president James W. Woodward, who thought it would attract and retain good personnel. He became enlightened by his daughter, who had just had a child and was having difficulty reentering the work force due to the unavailability of child care. In 1979, the company investigated space, zoning and licensing requirements and parent interest before embarking on the project. The company's Oak Brook office was in the process of expanding and could incorporate space for child care. The project was directed by Larry Honeywell and Susan Doctors, now President and Vice President of Human Resources, respectively.

Contact was made with the Oak Brook Zoning, Health and Fire Departments, and the Illinois Department of Child and Family Services early in the project to ensure that the Center would meet all standards and could open on schedule. A consultant was used on an as-needed basis and liability insurance was obtained from an outside carrier. The licensing process was not difficult because the office building was new and fully sprinklered, had available ground floor space, windows, good lighting, an on-site cafeteria and direct access to an outside play area. The center opened in 1981 and was going to run on a three-year trial basis with an evaluation at the end of each year. By the end of two years it was evident that the center had more than achieved its goals of reducing turnover and assisting in recruitment, so it continued to operate. Through two different ownerships since 1981, there has never been a question of continuing the center. It has always been perceived as an excellent way to retain quality personnel and a positive reflection to the community of OAG's progressive benefits and corporate culture.

The child care center, under the direction of Lynne Cassidy, is a department of the company, administered as part of the human resources department. Cassidy and an assistant director are responsible for its daily management. The child care center staff are employees of the company and are entitled to all company benefits.

The Center

The center is part of a very large office building. It has six classrooms: two infant rooms, one toddler room, one two-year old room, one three-year old room and one room with four- and five-year olds. The classrooms were designed to meet licensing standards. However, after the center was fully occupied, it became apparent that the rooms should have been larger, included more large motor space and storage. Half the classrooms have outside windows, while the interior rooms across the hall have large floor to ceiling windows that allow light and provide an open feeling within the classrooms. All rooms are clean and brightly decorated with children's art work, and age-appropriate toys and furniture. The decor has a homelike feeling. Parents feel that the facility, which is in need of some physical improvement, is in no way a reflection of the high quality of care their children receive.

The center has a good sized indoor play space with climbing equipment, mats and other toys, which compensate for smaller classrooms and are crucial during extremely cold winters that preclude outdoor play. The outdoor play area is made up of a mix of grass, asphalt and wood chips as well as sunny and shady areas, a large and small sandbox, climbing equipment, swings, riding toys and a water play area. The playground is divided into two areas so that separation of older and younger children is possible. There is also a large grassy area outside the fenced in playground called "the dip," which is used by older children for group play activities.

SCHEDULE

The center is open from 7:00 a.m. to 6:00 p.m., Monday through Friday. It closes only on company holidays.

CAPACITY

The center is licensed for 71 children. There are 59 children currently enrolled; their ages range from three months to five years.

COST TO PARENTS

The rates for parents are $176 a week for infants, $148.50 a week for toddlers, $138.60 a week for two-year olds, and $112.20 a week for three- and four-year olds.

EMPLOYEE USAGE

OAG employees are the sole users of the center. Because OAG is 72% female, it follows that the majority of employees who use the center are women, although approximately 10% are male.

According to Lynne Cassidy, usage of the center is approximately 3-4% upper management, 67% middle management (professional, sales and technical employees) and 30% clerical employees.

CENTER PHILOSOPHY

The staff focuses on understanding and developing the uniqueness of each child. There is a strong emphasis on loving and caring for children. The teachers work hard to cultivate a strong bond between themselves, parents and the children. An integral component of the philosophy is the importance of ongoing communication between parents and teachers.

EDUCATIONAL PLAN

The center follows the curriculum guidelines as specified by the NAEYC. They emphasize individualized and age appropriate activities, learning through play, and developing social skills.

PARENTAL INVOLVEMENT

Parents have a real presence in the child care center. They visit their children at lunch time and are involved with an informal parent/teacher organization. It is apparent that there is a special bond between the staff, parents and children. The parents in the focus group referred to the center as their "OAG family."

CORPORATE INVOLVEMENT AND MANAGEMENT

The center is a department of the company reporting to the vice president of human resources. While the center is clearly a department within OAG, the company does not interfere with the direction of the center; thus, primary management responsibilities are handled by the center's director and assistant

An integral component of the philosophy is the importance of ongoing communication between parents and teachers.

director. When the center opened in 1981, there were very few child care management companies. Although more options have become available, OAG still opts for the direct involvement it has by managing its own center.

LICENSING & ACCREDITATION

The center is licensed by the Illinois State Department of Children and Family Services and is working toward NAEYC accreditation.

As stated by the center director, "Externals such as toys, materials, the building, are not accurate indicators of quality. The relationship that teachers and children share is the best indicator. This relationship is based upon mutual respect, affection and trust and it is evident in every interaction."

Staffing Pattern

RATIOS

The ratios for infants and toddlers is one adult to four infants, and one adult to eight preschoolers. These ratios meet the NAEYC guidelines.

GROUP SIZES

The center is set up to run with two groups of eight infants, two groups of eight toddlers and two rooms of sixteen preschoolers. These sizes meet the NAEYC guidelines. Currently, all rooms are not full.

STAFF SIZE

There are 17 people on staff.

STAFF SCHEDULES

Most teachers work a 40-hour week, although some work eight-and-one-quarter-hour shifts.

STAFF POSITIONS

The positions for staff include a director, assistant director, head teachers, senior assistant teachers, assistant teachers, aides and a permanent substitute.

STAFF TURNOVER

The turnover at the center fluctuates. This past year the center lost two people out of 20. This is much lower than the 25% average turnover found by the *1990 Profile of Child Care Settings*.

STAFF CREDENTIALS

The director prefers an associate's degree and at least one year of experience. All teachers have at least an associate's degree. Currently, there are four teachers who are working on their bachelor's degrees and two who are working on master's, both in early childhood education. Each head teacher is a member of NAEYC and CAEYC (Chicago), as well as the association's local DuPage unit of CAEYC. These memberships are all paid for by OAG.

STAFF EMPLOYER, WAGES & BENEFITS

All staff members are employees of OAG. Teachers receive a starting annual salary of $18,000, while assistant teachers start at $14,000. These salaries are higher that the average salaries found by the *1990 Profile of Child Care Settings*. Staff receives all the same benefits of OAG employees, including medical and dental insurance short- and long-term disability, company paid life insurance, profit sharing, a retirement plan, tuition reimbursement up to 80%, vacation leave and sick days. This range of benefits is extremely rare in the early childhood field.

BUDGET ALLOCATION FOR STAFF COSTS

About 88% of the operating budget is allocated to staffing costs. This is greater than the minimum of 60% recommended by *The National Child Care Staffing Study*.

Teachers are encouraged to present workshops either at the large NAEYC conferences or on the local level.

STAFF TRAINING

All staff members are required to complete fifteen hours of in-service training annually, including workshops, conferences, lectures, and instruction in CPR and first aid. One company benefit is tuition reimbursement up to 80%; thus, continuing education is highly encouraged. Teachers are also encouraged to present workshops either at the large NAEYC conferences or on the local level, in order to broaden their range of opportunity and reach out to the early childhood community.

The center provides observation and internship opportunities for early childhood students from area colleges and universities.

Corporate Costs & Benefits

COST TO THE CORPORATION

The center is supported by tuition fees. Expenses in excess of fees are underwritten by the company and recouped through savings in recruitment and training expenses because of the low turnover. The goal of the child care center is to operate on a break-even basis. The company was unwilling to disclose the annual amount of their subsidy. The company does not charge the center for space, utilities, repairs or janitorial services. The company's subsidized cafeteria provides the food service for the center at no cost; but the cost of the food itself is included in the center's budget.

BENEFIT FROM THE PARENTS' PERSPECTIVE

Parents in the focus group said that the aspects of the center that they valued most highly were teachers and the care that was given to their children, as well as consistency of the philosophy from one classroom to the next. Parnets see the staff as a first-rate resource to whom they turn for expert advice on any issue relating to their children, because they know the children so well and because of their expertise as professionals. The qualifications and education of the staff are extremely important, and parents believe that OAG was able to be selective in its choice of teachers because of what OAG was able to offer them. Parents know that the teachers really love their students. They also feel that having an on-site center has not only attracted male and female workers to OAG, it has also enabled mothers to remain in the workplace.

BENEFIT FROM THE DIRECTOR'S PERSPECTIVE

Lynne Cassidy believes that having access to and utilizing the resources of OAG is a benefit in running the center. This support includes the support provided by the network of parents. For example, for a long time all written materials were produced on a typewriter. Ms. Cassidy turned to the company, and OAG gave her a computer and printer. The company also provided her with training in their computer center.

Parents see the staff as a first-rate resource to whom they turn for expert advice on any issue relating to their children.

BENEFIT FROM THE CORPORATE PERSPECTIVE

Because OAG was the first on-site center in Illinois, the company has received a tremendous amount of publicity and public recognition. While there has been no formal measurement, the company has determined that the center has benefited the company in a number of ways, including improved recruitment and productivity, as well as reduction in turnover.

PARENT CONCERNS

Without exception, the parents in the focus group were highly enthusiastic and felt completely confident in the care their children received. However, because OAG is part of the late Robert Maxwell's empire, the future of the company is uncertain. Therefore, the parents' main concern is what will happen to their jobs and, more importantly, their children, if and when the company is sold. There is some concern about the level of subsidy that management is willing to contribute to the maintenance of the center. The one thing parents would do to improve the center would be to add a kindergarten. Parents are "desperate" for an all-day kindergarten because the two-and-a-half-hour kindergarten at public schools poses a problem for working parents. Children are bused from before-school care to school, and then to after-school care. This situation is very hard on children.

CORPORATE IMPACT ON QUALITY

Because the center is part of OAG, the company wants to maintain and build on its reputation of high standards and quality. According to the director, the corporation itself does not guarantee quality, but high quality is desirable because the center and its management reflect on the company's reputation. The director is sometimes concerned that the budgetary pressures may bring up a need for revenue accountability, and that this might cause quality to be compromised. So far this has not been the case.

TABLE 8: SUMMARY OF CASE STUDY INFORMATION

Company	Company employees	Center Capacity/ Number Enrolled	Management Type	Child Adult Ratios Infant/toddler/ preschool	Group Sizes: Infant/toddler/ preschool	Center Turnover	Teacher Hourly Wages	Budget Allocation for Staff	Cost to Corporation	NAEYC Accreditation
Apple Computer	8,900	74/74	for-profit; fee	3:1/4:1/8:1	12/12/16	10% to 15%	$8.00 to $13.00	85%	$1.5 million start-up; 50% annual subsidy	in process
Campbell Soup	32,300	120/n/a	for-profit; fee	4:1/5:1/8:1	12/15/24	15%	$8.65 to $10.60	70%	$250,000 start-up; $300,00 annually	in process
Champion	21,300	66/60	for-profit; fee	3:1/4:1/7:1	6/8/20	"minimal"	$12.00 to $14.42	80%	"substantial"	yes
Lomas Financial	2,100	124/124	company department	3-4:1/6:1/7:1	8/12/14	0%	$9.70 starting	unavailable	confidential	yes
Northern Trust	6,600	72/60	for-profit; fee	4:1/5:1/10:1	8/10/20	"very low"	$9.00 to $11.00	90% to 95%	confidential	in process
Official Airline Guides	1,100	71/59	company department	4:1/4:1/8:1	8/8/16	10%	$8.65 starting	75%	confidential	in process

Acknowledgements

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We are especially grateful to all of those who so willingly gave of their time to participate in the research. A number of experts in the field shared their knowledge with us: Dr. Sandy Burud, President of Burud & Associates; Tara Greaney, Director of the Children's Center at Cravath, Swaine & Moore; Dr. Meryle Kaplan, Director of Corporate Consultations for Resources for Child Care Management; Gwen Morgan, Director of the Center for Career

Development in Early Care and Education at Wheelock College; Dr. Deborah Phillips, Assistant Professor at the University of Virginia; Marguerite Sallee, President of Corporate Child Care Management Services; Myrna Walton, Manager of Personnel, Planning and Operations at the University of Oakland; and Marilyn Williams, President of Americare Systems. Representatives of 91 companies and the directors of the centers associated with the companies provided both concrete information about their child care centers and their insights about the processes of starting and managing corporate-sponsored centers. Twelve companies and their centers welcomed Catalyst staff for a day-long visit: Allstate Insurance, Apple Computer, Campbell Soup Company, Champion International Corporation, Heritage Publishing, Lancaster Laboratories, Lomas Financial Corp., Lotus Development Corporation, Northern Trust Corporation, Official Airline Guides, Syntex Corp. and United States Hosiery. The generosity of these participants in sharing their time and information furthered our understanding of the issues of quality in relation to corporate-sponsored child care centers.

Research Participants

AAI
Acxiom Corp.
Aetna Life & Casualty Company
Allstate Insurance Company
Apple Computer, Inc.
AT&T
Barnett Banks, Inc.
BE&K
Bowles Corporation
Campbell Soup Company
Centel Corp.
Champion International Corporation
Chase Manhattan Bank
Chevron Corporation
Cigna Corporation
Citibank, N.A.
Collins Division, Rockwell International
Comerica Incorporated
Corning Incorporated
Courier Journal
Dominion Bankshares Corp.
Dow Chemical U.S.A.
Downtown Children's Center (Rich's Division of Federated Department Stores, Inc.)
Duke Power Company
E.I. du Pont de Nemours and Company
Fel-Pro
Genentech, Inc.
Glaxo
Grieco Brothers, Inc. Southwick
Hallmark Cards Inc.
Heritage Properties

Hewitt Associates
Hill, Holiday, Connors, Cosmopulos, Inc.
Hoffman-La Roche Inc.
Home Box Office, Inc.
Hunter Industries
IBM Corporation
IDS Financial Services
ILGWU
J.R. Simplot
John A. Russell Corp.
John Hancock Mutual Life Insurance Company
Johnson & Johnson
Kingston-Warren Corp.
Lancaster Lab
Lego Systems
Levi Strauss & Co.
Lincoln National Corporation
The Little Tykes Co.
Lomas Financial Corp.
Los Angeles Department of Water and Power
Lost Arrow Corp.
Lotus Development Corporation
Marquette Electronics, Inc.
Massachusetts Mutual Life Insurance Co.
MBNA Corp.
MCA
McDonnell Douglas Corporation.
Merck & Co., Inc.
Mervyn's Department Stores
3M
Neuville Industries, Inc.
Northern Trust Corp.
Official Airline Guides
Pacific Gas & Electric Co.
Paramount Pictures Corp.
Paul Revere Life Insurance Co.
PHH Fleet America
Phoenix Mutual Insurance Co.
Pratt & Whitney

The Procter & Gamble Co.
The Prudential Insurance Co.
Quincy Savings Bank
St. Paul Fire & Marine Insurance Co.
SAS Institute
Saturn
S.C. Johnson & Son, Inc.
The Seattle Times
Steelcase Inc.
The Stride Rite Corporation
Syntex Corp.
Taylor Corp./Carlson Craft
Texas Instruments Foundation
Time Warner Inc.
The Travelers Corp.
TRW Space & Defense Sector
United States Hosiery Corp.
Unum Corporation
US West, Inc.
Warner-Lambert Company
Wells Fargo Company
Williams & Watts, Inc.

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